

The NATIONAL UNDERWRITER

Life Insurance Edition



JAMES B. TISDALE

In May 1946, after five years with the U. S. Air Force, Jim Tisdale came direct from Manila to Montgomery, Ala., to make his home, and to join the friendly Franklin. At the end of five years he had made 1,000 sales. At least 25% of his current sales are to former clients . . . 50% through the recommendations of satisfied clients. Here is the record of his earnings:

Cash Income
1946..... \$ 2,377.63
1947..... 4,946.75
1948..... 5,932.47
1949..... 10,247.36
1950..... 11,250.00

We are very proud of our fine young associate, James B. Tisdale.

GENERAL AGENCY
OPPORTUNITY IN
COLUMBUS, OHIO

1000 SALES IN FIVE YEARS... NO PREVIOUS SELLING EXPERIENCE

July 21, 1951

**Mr. Francis J. O'Brien
Franklin Life Insurance Company
Springfield, Illinois**

Dear O'B:

The completion in May of my first five years with the friendly Franklin was a big event to me naturally, and especially so since I made my 1,000th sale toward the close of that month. But you folks at the Home Office are certainly responsible for that record, such as it is, because I simply followed your advice given five years ago—to concentrate on Franklin's exclusive Insured Savings Plans.

Incidentally, I have been able to save a little money myself, since the Company paid me \$11,250 in 1950.

As you will remember, I started with The Franklin after my army discharge in 1946. I had no selling experience behind me, and was a stranger in the city I had selected for my home. However, friends began to come fast as I started spreading word of our incomparable President's Protective Investment Plan, and for the first two years that is the only Franklin plan I sold. Even now it remains my favorite and I am happy to say that my 999th and 1,000th sales were \$5,000 PPIP each to a man and his wife. Since May, 1946 I have sold only 68 contracts that were not Franklin exclusives.

Thank you once more for the inspiration all of you so generously provide.

Cordially yours,

Jim Tisdale

An agent cannot long travel at a faster gait than the company he represents.



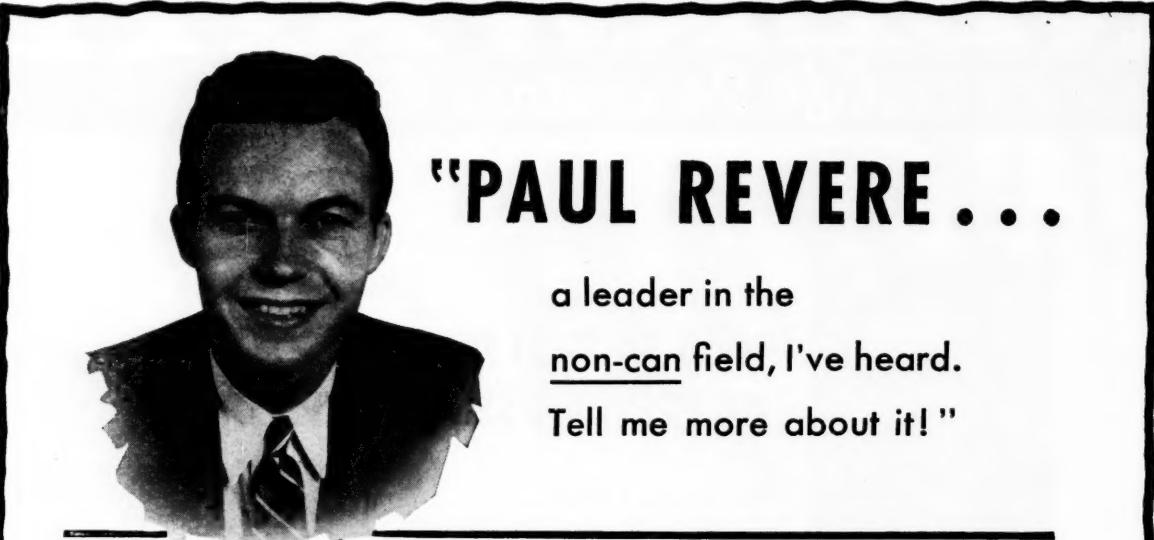
The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT **SPRINGFIELD, ILLINOIS**
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

A BILLION DOLLAR INSTITUTION

FRIDAY, SEPTEMBER 7, 1951



"PAUL REVERE . . .

a leader in the
non-can field, I've heard.
Tell me more about it!"

The highlights are these:

AS A LEADER in the non-cancellable disability field, The Paul Revere Life Insurance Company is one of the largest and most experienced writers. The upsurge of interest in this type of income replacement has focused the attention of progressive underwriters on our formidable position in a specialized field.

AMONG LIFE COMPANIES, Paul Revere's growth has been rapid. The Company has more than a quarter of a billion dollars of life insurance in force . . . accomplished in but twenty-one years.

THE 48 STATES, the District of Columbia, Hawaii and Canada comprise the territory of the Company. It is represented by more than 100 general agencies ranging from border to border and coast to coast.

POLICY PLANS written by the Company include complete personal Sickness and Accident coverage (including Individual and Family Group Hospital).

All are non-cancellable and guaranteed
continuable.

The Company also writes all Life forms and Group Life and Group Disability Insurance.

THE REAL TEST of the value of sickness and accident protection comes at claim time. So the right kind of claim service is all-important . . . to the policyholder . . . to you who stake your reputation in selling the case.

As a leader in the non-cancellable disability field, we invite comparisons of benefits . . . of premiums . . . of service. But we especially welcome your attention to the manner in which we treat the policyholder.

GOING AND GROWING . . . is The Paul Revere Life Insurance Company. In the final analysis, of course, the Company is much more than a building . . . or policies . . . or machines. It is people . . . loyal, happy, well-trained and well-compensated people . . . whose concept of insurance sales and service is in the best of American tradition.

THE *Paul Revere Life*
INSURANCE COMPANY
WORCESTER-MASSACHUSETTS

Frank L. Harrington President

Edward R. Hodgkins Vice Pres. and Mgr. of Agencies

Lincoln National Buys Control of Reliance Life

To Operate Company as Separate Entity: Transac- tion Sets Record for Size

Terms have been agreed upon whereby the control of the business of Reliance Life of Pittsburgh will pass in the near future to the Lincoln National Life either by means of a purchase of the stock of Reliance for \$27½ million or alternatively, if certain conditions are not met, by way of reinsurance. The terms were ratified by Reliance's board of directors Tuesday. Lincoln National's president, A. J. McAndless, and Reli-



A. J. McAndless



John A. Mayer

ance Life's president, J. A. Mayer, were the principal negotiators for their respective companies.

Under either alternative, all outstanding policies of Reliance Life will be continued in force in accordance with their terms.

It is the largest such transaction in the history of life insurance.

Under the plan an offer will be made by the Lincoln to all stockholders of Reliance to purchase Reliance stock at a uniform price of \$916.67 per share, provided at least 95% of the stock of the Reliance is deposited. Deposits of stock are to be made with the Mellon National Bank & Trust Co. as escrow agent before Oct. 16, 1951. If Lincoln's offer is not accepted by the requisite percentage of stock a reinsurance agreement will be put into effect: Under this alternative Lincoln would reinsure and assume all insurance contracts and other obligations of Reliance and take over all assets except a sum of \$27 million retained by Reliance for distribution to stockholders in liquidation proceedings. The agreement will be conditioned upon the approval of the stockholders of the two companies and the insurance commissioners of Pennsylvania and Indiana.

Excellent Financial Conditions

It was pointed out that Reliance is in excellent financial condition with a showing of \$15,278,000 of combined capital, surplus and contingency reserve as of last Dec. 31. It has a billion dollars of life insurance in force and assets exceed \$300 million. It operates through more than 700 agents located in 35 branches. Employees of the Reliance number 650. It ranks 34th in size among all life companies in the United States.

Lincoln National, organized in 1905, has over \$4 billion insurance in force (CONTINUED ON PAGE 23)

PLAN TO ADOPT OUR TECHNIQUES

U. S. Training Procedures Make Biggest Impression on French Insurance Visitors

Training methods for field and home office personnel are proving the biggest eye-opener to the 17 French insurance men visiting insurance companies here under ECA auspices.

Adapted to the French insurance business, these techniques of training will be of the most practical value of all the information the group has acquired in its tour, the members feel.

At Chicago, where they were the guests of Continental Assurance Tuesday at an all-day session and luncheon, Georges Tattevin, the group's leader, said that he had been fortunate enough to get copies of L.I.A.M.A. training material several years ago and had been deeply impressed with what is being done in this country in the life insurance business in the way of training personnel, particularly field personnel. He was also impressed with selection and recruiting techniques being developed here but it was the training that stood out especially in his mind.

Mr. Tattevin, who is general manager of Compagnie Generale d'Assurances and of two life companies, La Confiance and La Patrimoine, said that this trip had brought home to him more than ever the fact that the value of a corporation is the value of its men and the paramount importance of "man-management."

In technical matters there is relatively little that the United States insurance business can teach its French counterpart, he said.

"We have lawyers, statisticians, mathematicians," he said, "but few men who are trained in 'man-management.'"

The need for this sort of management exists first of all in the field but also in the home offices, said Mr. Tattevin.

He said that among the public in France there exists a prejudice against entering the insurance business. This he believes, is largely the fault of the business and is due to poor training of personnel or lack of any training whatever. The first results of adapting the L.I.A.M.A. material to French use were highly gratifying. He said he had not merely translated it but in doing so had changed it where necessary to meet conditions in the insurance business in France.

Mr. Tattevin is convinced that the visit this group of French insurance ex-

ecutives is making here will greatly accelerate application of American training, selection and recruiting techniques in France. The entire group, he said, is convinced of their value. The problem will be, however, to convince top management generally in the French insurance business that American training techniques are worth adopting.

CONTINENTAL PLAN

The French insurance experts got at Continental Assurance Tuesday an intensive education in how a life company in a multiple-line setup operates to obtain business through general insurance agencies. All the visitors speak enough English to get around the city without difficulty but absorbing technical insurance talk would have been something else. So as each speaker talked, his remarks were rapidly translated by one of the three interpreters traveling with the group. The interpreter spoke into a hand microphone to the French visitors, who listened through headphones, giving the assemblage the look of a school for radio operators.

The arrangement slowed down the proceedings surprisingly little although it kept the interpreters extremely busy.

Dr. Harry Dingman, vice-president acted as chairman. Opening speaker was President Roy Tuchbreiter, who welcomed the group. J. Gordon Michales, manager of the Chicago branch, spoke on soliciting business from brokers. Other Continental speakers were Paul Green, agency secretary; Gustave Gadness, field agency director; Howard Reeder, executive vice-president; Marshall Simms, superintendent of agencies; Robert Fontaine, director of publicity; Amos Gurley, administrative coordinator; Paul Rinker, vice-president, and Edwin Carlson, chief underwriter.

Dr. Dingman was a particularly appropriate choice for chairman, as he has visited France several times, most recently this summer in the course of a 15-week tour of Europe, Asia and South Africa. Mrs. Dingman, who assisted as hostess at the luncheon, speaks French fluently. A guest at the luncheon was Francois Briere, French consul-general at Chicago.



Some of the group of French insurance experts who are visiting U. S. insurance companies are shown at right during sessions at Continental Assurance home office in Chicago. At left is Dr. Harry Dingman, vice-president of Continental, who acted as chairman. Next to him is Paul Green, agency secretary, who talked on sales methods. In the inset is Howard Reeder, executive vice-president, the closing speaker at the morning session. Most of the Frenchmen wore headphones so they could hear the running translation given by one of the three interpreters accompanying the group.

Mutual Life Tells Plans for A. & H., Hospitalization

Wesley J. A. Jones to Be Sales Director for New Department

By KENNETH O. FORCE

HOUSTON — A number of important announcements, including entry next year into the accident, sickness and hospitalization field, were made by executives of Mutual Life to the 600 members of the Top and National Field clubs, agency managers, and officials attending the conference at the Shamrock hotel here.

It was the first national meeting of



Roger Hull



L. W. Dawson

production leaders since 1946. About 1,200 altogether, including wives and families of agents, attended.

President Louis W. Dawson termed it a fitting celebration of a happy return of the company to Texas, where it resumed new-business activity earlier this year.

Effective Sept. 6 the company has reduced gross premiums on new policies on a selective basis, has liberalized double indemnity and waiver of premium privileges and juvenile policies and has reduced extra premiums now charged policyholders in hazardous jobs or who have physical impairments. Guaranteed income payments to policyholders under the life income option in new policies are being increased.

Jones' Appointment Announced

Wesley J. A. Jones, executive secretary International Assn. of A. & H. Underwriters since 1949 and assistant executive secretary 1948-49, will join the company's home office Oct. 1 as director of accident and sickness sales.

Entry into this field is a natural and necessary extension of the company's life insurance service, Mr. Dawson said. Offering the coverage on an individual policy basis to millions of persons not eligible for group A. & H. fits logically into Mutual Life's method of programming family financial plans.

The company is in a position to enter the new field at a minimum initial expense, Mr. Dawson said. The coverage will be offered through the present field force. No sizable additions to the home office staff are expected to be necessary.

Operating efficiency is such that the company can handle the broadened coverage with existing facilities.

The greatest reductions in gross premiums are on life and endowment policies with long premium paying periods, the least on 10-pay life policies and

(CONTINUED ON PAGE 24)

Texas Boom Brings Companies Back

Robertson Law No Longer Major Factor in Return

The industrial and commercial revolution that has taken place in Texas in the last few years has brought back to it nearly every big life insurance company that left the state in a huff 44 years ago in a dispute over the chauvinistic and restrictive premium investment legislation known as the Robertson law.

To reverse the viewpoint of the Texas "national" anthem, the eyes of life insurance are increasingly upon Texas, especially those of the companies that aren't yet doing business in its booming economy.

Industrial Revolution

Texas has risen as an industrial state in recent years. Its economy has been transformed from one centered on agriculture and the exportation of vast natural resources to other states. Coupled with its rising population and generally bright business prospects for the future, this has outweighed life insurance objections to the once deplored Robertson law. Particularly in the last five years, with war manpower released, the Texas boom has resulted in a scramble among companies, including the largest, to establish ordinary and industrial offices throughout the big state. And, after 40 years absence, they are glad to get back. Military activity is adding to the state's income.

Texas ranks eighth among the states by amount of insurance in force. Last year Texans bought 6% of all the ordinary sold in the country. This placed it fifth in volume in the ranking by states. Texans bought more than \$1 billion of life insurance. If it makes the same sort of strides in 1951 as it did in 1950, it will rank behind only New York and California in total sales. Its increase was \$90 million over 1950, and was one-third greater than in 1949.

There are about 230 companies writing life insurance in Texas, 100 of them from out of state. About 25 new, if small, companies were organized in the state last year. The 108 domestic companies in 1949 almost doubled the number of companies—55—present in 1945. Obviously Texans haven't gone uninsured. Some of its domestic companies are among the largest and best.

Investment Controversy

The Robertson law, enacted 44 years ago, required companies to invest 75% of their reserves on Texas policies in Texas securities. In principle such a law was and is objectionable. At that time many regarded it as eminently unfair because there wasn't sufficient demand for investments in the area. Companies want to invest where there is a demand. (The Robertson law psychology, however, was prevalent as late as 1949 in at least one Congressional committee. Companies still find it necessary to explain that their funds go where they are needed, following demand.)

Actually, however, the industrial expansion of Texas now has created such a demand for dollars that this aspect of the Robertson law has become outmoded. Many companies have far more than three-quarters of their Texas reserves invested in the state, much of it put there in the last few years. Some companies remained there for investment purposes when they left the sales field. Others returned to invest years before they returned to sell. Many companies not now entered in Texas for sales purposes do a big investment business in the state. Consequently, the investment requirement of the law is not and for some time hasn't been a major factor in company decisions on returning to the state.

One of the principal problems facing companies recently returning or deciding to return has been the cost of establishing a successful new agency organization. The second factor is the require-

ment that they pay the premium taxes accruing since they left. For many companies this is a very large amount. One company paid back taxes of about \$450,000, another in excess of \$200,000 before they were allowed to return. These were large, old companies. Companies with less business in Texas when they left 44 years ago would not have nearly as much to pay to return.

There was a great controversy in the life business when the Robertson law was passed about whether a company should or should not continue to write business there. Statistics furnished by George B. Butler, Texas life commissioner, show the thinking of various company leaders in 1907. When the Robertson law was passed, 22 companies, three of which are no longer in business, left the state.

COMPANY MOVES

Those leaving were Columbian National, Equitable Society, Fidelity Mutual, Guardian (then called the Germania), Home Life of New York, Manhattan Life, Massachusetts Mutual, Metropolitan, Mutual Benefit, Mutual Life, National Life of Vermont, New York Life, Northwestern Mutual, Penn Mutual, Prudential, Reliance, Security Mutual of Binghamton, Travelers and Union Mutual.

Among the companies that have gone back since and the years in which they reentered for ordinary or industrial are: Manhattan Life, 1908; Reliance Life, 1909; Travelers, 1922; Equitable Society, 1937; Prudential, 1946; New York

Life, 1947; Guardian Life, 1947; Metropolitan, 1948; Union Mutual, 1948; Home Life, 1949; Mutual Life, 1950, and Massachusetts Mutual in 1951.

Metropolitan and Prudential reappeared in Texas in the 1920s for group insurance to service national accounts. Some companies did not actively start writing business for a time after they returned. Mutual Life began selling in Texas in 1951.

The companies that have not returned are Columbian National, Fidelity Mutual, Mutual Benefit, National Life of Vermont, Northwestern Mutual, Penn Mutual and Security Mutual of Binghamton.

Although companies that have gone back are not inclined to release expense figures in connection with new business they have written since their return, all profess delight that they are doing business in the state again and indicate that it is very satisfactory.

The companies that have not gone back have at least given the matter some thought. A few have made actuarial studies of the probable cost involved. Some are more concerned with the expense that would be required to establish an agency force while others have the problem of substantial back taxes to worry about.

There is unanimous agreement that Texas is a good spot for investments. Of the seven companies that have not returned, six replied to a questionnaire and all six indicated they are investing there now.

One company indicated that the cost of paying back taxes was a factor, of course, but that it did not weigh quite

so much as the cost of developing an agency in competition with home state companies not operating in New York and which do not have the expense limitations of companies operating in that state. Two others indicated that the Texas market looked inviting but that they preferred to develop present agencies intensively for a while rather than to open new territory.

Investment Growth

Northwestern Mutual, which left the state in 1907 when it was selling \$2 million a year there and had almost \$12 million in force on residents in the state, by the end of 1949 had doubled its Texas in force because of people moving there from other states. The amount, however, was only 38% of the total business of the company against 135% at the end of 1907. Massachusetts Mutual, which has just announced its intention to return, has about six times as much insurance in force there as it did when it left in 1907. Its investments, however, exceed \$43 million or almost three times as much as its insurance in force. Similar data for other companies negate the belief that investments are a factor in holding up a return to the state.

A look at some economic statistics indicates why the life business is so interested in Texas. The population is about 7,675,000, one-third more than in 1930. Population density is very light compared with eastern states and there is room for great expansion. The state has tremendous resources in oil, natural gas, sulphur, timber, iron ore, and rich farming and grazing lands. With the great influx of capital, the state, at least along the Gulf coast, is being turned into an industrial, manufacturing economy. Texas received the lion's share of the \$1 billion invested in new plants in the three Gulf coast states since the war. The discovery of a giant new sulphur deposit on the Gulf coast will help Texas too.

Prudential decided to establish a regional home office there. Metropolitan has been expanding its district agencies. The theme of the other companies that have returned since the war is to continue to expand. Texas ideas about bigness seem to appeal to life insurance men.

Furthermore, Texans are deriving the counterbalancing public good of greater security from the sale of more life insurance, of itself a great economic benefit, in addition to increased prosperity from life insurance investments, resulting from the resurgent activity.

The return of these companies to Texas is helping Texas as much as it is helping them.

N. W. Mutual Has Adopted New Receipt Procedure

Northwestern Mutual has adopted a modernized procedure, effective with premiums due in September, under which receipts will no longer be issued except for cash payments or upon specific request from the policyholder. This method is generally accepted as good business practice, since cancelled checks usually serve as a receipt.

Attached to the new premium notice is a "record of payment" stub. On this the payee can easily note the date and number of his check, detach and retain his records, adding the cancelled check when returned by his bank. If requested, a receipted form will be sent to the policyholder.

The Solomon Huber Agency of Mutual Benefit Life in New York City reports August paid for business of \$1,012,000. This is the agency's 3rd million dollar month.



The COMMONWEALTH Commentary

"Citizens Of No Mean City"

If you, a life underwriter, were to answer to yourself, your clients and prospects for the status of your profession, you would do well to take your reply from a scene in the Bible.

You will remember that when St. Paul was rescued from the mob in Jerusalem and was then being questioned by the centurion and the chief captain, he identified himself as "a citizen of no mean city".

In life insurance you are a member of that profession which not only has contributed more than any other to man's financial security, but has constantly assuaged the upheavals in our fluctuating economy. You can put your belief in your profession, because you are "citizens of no mean city".

**MORE THAN A HALF BILLION DOLLARS
INSURANCE IN FORCE.**

**COMMONWEALTH
Life Insurance Company**
HOME OFFICE • LOUISVILLE, KY.

The doorway to security

Million Dollar Round Table Annual Meeting Program Announced

Many Valuable Discussions Scheduled for Sessions at Coronado

Pensions, estate planning and business insurance will feature the first day of business sessions at the Million Dollar Round Table's annual meeting at Hotel del Coronado, Coronado, Cal., Sept. 21-25.

Miss Doris Montgomery, attorney and manager of New England Mutual Life's pension department, will open the panel on "Present Pension Problems" Sunday morning, Sept. 23. Three M.D.R.T. members, T. James Brownlee, Equitable Society, St. Louis; Warren F. Coe, Penn Mutual Life, Oshkosh, Wis., and Ralph E. Foster, Canada Life, Toronto, will be members of the panel.

Denis B. Maduro, New York City attorney, will open the afternoon session on "Problems of Estate Planning," assisted by James M. Hamill, Equitable Society, San Francisco; Robert Rogerson, Penn Mutual, Lansing, Mich., and Clarence E. Smith, Northwestern Mutual, Chicago, M.D.R.T. panel members.

Panel on Business Insurance

"Problems of Business Insurance" will be discussed by Richard H. Forster, Los Angeles attorney, assisted by a M.D.R.T. panel consisting of J. Wellington Currie, New England Mutual, Miami; Edwin G. Davies, Manufacturers Life, Los Angeles, and Vincent A. Milette, Northwestern Mutual, Newark.

John O. Todd, Northwestern Mutual, Chicago, M.D.R.T. chairman, will preside at the traditional breakfast Monday morning. John D. Moynahan, Metropolitan Life, Chicago, retiring president of National Assn. of Life Underwriters, will speak on "It Takes All of Us." "Today's Leaders Tomorrow" will be discussed by Grant L. Hill, vice-president and director of agencies of Northwestern Mutual. A dramatic presentation, "The Education of Richard Roe," will be presented with the compliments of Northwestern Mutual. Laflin C. Jones, insurance service research director of Northwestern Mutual, is the author.

Following the business meeting Monday afternoon, Cecil B. DeMille, motion picture producer and director and president DeMille Foundation for Political Freedom, Hollywood, will talk on "The Gospel of Liberty."

Prestige and sales display awards will be presented to winners, who will demonstrate how they use their prize winning material in making sales.

Multiple Selling Tuesday Topic

A. C. F. Finkbiner, Jr., Northwestern Mutual, Philadelphia, will open Tuesday morning's session with "In General Practice." "Multiple Selling" will be discussed by Robert U. Redpath, Jr., Connecticut Mutual, New York City, and Harold L. Regenstein, Massachusetts Mutual, New York. They have prepared some pertinent material on mass underwriting. The 1952 chairman will be inducted into office. A. Gordon Nairn, director of agencies of Prudential, Toronto, will close the meeting with "What Price Freedom?"

The Million Dollar Round Table's activities will get under way Sept. 21 at the N. A. L. U. annual meeting at Los Angeles with the traditional M.D.R.T. hour.

The M.D.R.T. members will move to Coronado Friday afternoon and that

evening a new members' reception will be held in charge of a committee of past chairmen, headed by Theodore Widing, Provident Mutual, Philadelphia, immediate past chairman.

Saturday Day of Relaxation

Saturday will be a day of relaxation. Among the highlights will be deep-sea fishing in charge of Leon I. Rothschild, Northwestern Mutual, Beverly Hills. Herman A. Zischke, Union Central, Chicago, will be in charge of the golf tournament at Chula Vista golf course. Swimming, sailing, horseback riding and tennis, plus visits to Tijuana, Mexico, will keep the members busy.

An innovation, "room hopping," will be introduced Sunday evening. Thirty-six well known M.D.R.T. members will act as hosts in their own rooms in one area of the hotel. Various subjects will be discussed in small groups.

An informal reception and banquet will be held Monday evening. Topflight entertainment direct from Hollywood will be provided with the compliments of California-Western States Life, Occidental Life of California and Pacific Mutual Life. A special M.D.R.T. club room will be maintained for informal get-togethers.

Walter N. Hiller, Penn Mutual, Chicago, M.D.R.T. vice-chairman, is in charge of the program. In addition to Mr. Todd, Mr. Hiller and Mr. Widing, William T. Earls, Mutual Benefit, Cincinnati, and G. Nolan Bearden, New England Mutual, Los Angeles, are on the M.D.R.T. executive committee.

Will Build at Manhattan

Farm Bureau Mutual has decided to erect a new home office building near Manhattan, Kan., on a six-acre tract outside of any possible flood area at a cost estimated at \$450,000, rather than move to Topeka as had been contemplated. The 2-story structure will also house Kansas Farm Bureau and Kansas Farm Life.

Wage Board Rules on Payments into Employes' Trusts

WASHINGTON — In interpretation bulletin No. 8, the wage stabilization board ruled on conditional payments into an employes' trust as follows:

"Payments made into an employes' trust, as defined in section 165 or 20(p) of the internal revenue code, and subject to the express limitations that no portion of the company's annual contribution thereto shall be actually distributed or made available to any employee or his beneficiary and that no beneficial interest with respect thereto shall actually vest prior to approval by the wage stabilization board of the institution or or increase in fringe benefits provided under the trust, do not constitute a payment of wages, salaries, or other compensation within the meaning of general wage stabilization regulation 1 during such period as the payments are subject to the foregoing limitations."

The wage board's panel on stabilizing commission earnings will hold hearings here Sept. 18 for labor representatives and Sept. 19 for industrial groups.

The panel wants to be notified by Sept. 12, in notices postmarked before Sept. 10, by those wishing to be heard. Those not wishing to appear in person may submit briefs by Sept. 24.

Herbert Unterberger is panel chairman and Fred Peiper, CIO Insurance and Allied Workers Organizing Committee, a labor member.

Covers Real Estate Board

Occidental Life of California has written a group life plan for members of St. Louis Real Estate Board, providing \$1,000 individual protection at \$24 for the first year. The premium is subject to annual revision.

Prospect's Position

James W. Lantz, Jr., of the Penn Mutual's Frederick A. Schnell Agency, Los Angeles:—

"It is difficult to specifically describe Post-Sales Service, for to me from the initial contact through the sale, to the 'thank you' letter after policy delivery is all one intermingled process. I oftentimes feel that we, as salesmen, need to take time out to meditate how it is to be in the prospect's position, and this applies to any type of selling. You all have had a salesman call on you from time to time and I would be willing to bet that you are each and every one extremely courteous to that salesman, assuming he has any grace in his operation whatever.

"You react to him entirely as he causes you to react. I would like to suggest that next time, before you make your call, ask yourself what would be a good approach, how you would like to be approached, how you would like to be treated if you were the prospect. A little reflection like this once in a while does a great deal of good. Common courtesy is the answer, which includes not stopping in on a prospect unannounced; taking time when the prospect cannot or does not want to give it; respecting his time when you are in his presence."

THE PENN MUTUAL LIFE INSURANCE CO.

MALCOLM ADAM

President

INDEPENDENCE SQUARE, PHILADELPHIA

Ordinary Sales Headed for Their Biggest Year

Watch August Record to Check Effect of August, 1950, War Clause Boom

Ordinary life insurance sales are riding the tide of inflation and the booming defense economy to what will be their largest year in history, agency executives believe.

The final third of the year has all the earmarks of continually burgeoning ordinary production. Government money is being pumped into national defense at a greater pace than in the first eight months. Already the industry is 7% ahead of sales volume for the first seven months of last year. The surprising note about this is that in July, 1950, companies experienced the first part of the war clause boom. This year, with no extra sales inducement like the war clause scare of mid-1950, sales have bettered last year's record.

Watch August Figures

Some companies have built up a surplus margin of sales over last year that may help them to show a first eight months' volume equal to or better than the same period last year. Much will depend on the August sales results. August, 1950, was perhaps the greatest sales month in ordinary history. Business written totaled \$1,785,000, about 25% higher than any other month of the year, and up more than 50% from August a year earlier. August is usually a low month for sales. If the sales figures for August, 1951, even approach last year's results, new records for the year seem assured. Fall economic prospects augur a series of months surpassing last year's sales.

Actually, agency record keepers won't be alarmed even if 1950-51 comparison charts show August, 1951, slightly below last August. Some companies will be delighted to have matched last year's record when the year's results are computed.

Few Dark Spots

Agent recruiting is off in most companies but not enough to have hurt the sales record appreciably. Some agency men are worried about the trend to term or the inability of their agents to sell the blue-collar market the volume its financial potentials suggest it needs. But, other than inflation, which concerns everyone, it is hard to find a serious cloud in the sales sky. Even recruiters sounded optimistic in late August based on their hopes to put on new men after Labor Day and the scheduled return of some reservists during the fall.

Thus far only one company, Farm Bureau Life, has asked the New York department for a waiver of the limit on the volume it may write during the year. Last year five companies sought the privilege. They were John Hancock, Continental Assurance, New York Life, Mutual Benefit and Prudential. More companies may be asking for a waiver as the year draws to a close and volume approaches the statutory new business limits, which are related to company size.

Toledo Managers Elect

Toledo (O.) Life Managers Assn. has elected Gilbert F. Dittmer, Mutual Benefit, president; Floyd A. Rosenfelt, Connecticut Mutual, vice-president and program chairman; Richard E. Ford, Bankers Life, secretary.

NUMBER ONE in a series of advertisements outlining advantages enjoyed by field underwriters of the Equitable Life of Iowa

SCREENED FOR SUCCESS

Field underwriters of the Equitable Life of Iowa are carefully screened to make sure that they have selected a field of endeavor for which they possess abilities and aptitudes conducive to success. The most scientific selection processes available are employed for this purpose in order that only those individuals clearly adapted to field underwriting will be accepted for training. In this way, the chances for successful careers are greatly enhanced for those who qualify for contracts with the Equitable of Iowa.



EQUITABLE
Life Insurance Company
OF IOWA

FOUNDED IN 1867 IN DES MOINES



illustrating...

is easier and more convincing, with Pacific Mutual's complete personal protection plans. One reason—they include ACCIDENT & SICKNESS DISABILITY INCOME, interesting to every prospect.

Pacific
Mutual

LIFE INSURANCE COMPANY

HOME OFFICE—LOS ANGELES, CALIF.
Doing business only through General Agencies
located in 40 states and the District of Columbia



KANKAKEE ADDRESS

Day Scores Complainers Who Change Their Minds

Complainers who bring to the Illinois department their grievances against insurance companies and then fail to cooperate with the department come in for sharp criticism from Insurance Director Day of Illinois in his talk before the Kankakee Life Underwriters Assn. Wednesday.

This attitude on the public's part, he said, is a big factor in the difficulty of getting local state's attorneys to take action against offenders.

Mr. Day said that in one case there was an out-and-out fraud in connection with the attempted organization of an insurance company. A number of people were taken in by it but none of them would cooperate in pressing the case, "so the local state's attorney, not too surprisingly, declined to take action."

The federal government, on the other hand, Mr. Day observed, is quite busy on the case.

Want Affidavits Back

"In our own department we have much the same difficulty with getting people to follow through with us on complaints," said Mr. Day. "We have had cases where people supplied us with affidavits relating to violations of the insurance code and then while we were in the process of preparing our case, suddenly ask to have their affidavits back. We have quite a few informers but very few who are willing to have their names used."

Mr. Day said there have been a discouraging number of instances where people are attempting to use the department enforcement procedures to collect a debt or otherwise settle some private controversy. Within the past year there was a case where a company kept insisting that the department take action to cancel the license of an agent who was overdue in his balances. The company pressed the complaints so relentlessly that there was no alternative but a formal hearing and a cancellation of the agent's license.

Wanted Decision Set Aside

Immediately the agent took a court appeal from the decision cancelling his license. The next thing Mr. Day knew the agent's attorney advised the department that the insurance company had made some sort of a settlement with the agent and was now willing to have the department decision set aside. It cost the department several hundred dollars just for court reporter services in that case, besides the large amount of time and effort expended by department personnel.

"It is easy to see how a state governmental agency gets big when you see the demands which the public makes for free government service," Mr. Day said. "We process in our department over 2,000 written complaints a year relating to claims against insurance companies. In addition there are thousands of telephone calls. The Michigan department estimates it processes over 5,000 complaint items per year. People find it too expensive to go to court and litigate their differences with insurance companies, so they try to turn us into a free small claims court. Every letter must have an investigation and an answer and we must have several people working on this subject all the time."

Mr. Day said there is an unfortunate attitude in some circles that insurance companies should pay all claims without argument. In the life field there is not

much of a claim problem because the liability and the amount is nearly always clearly established but he said that in the casualty field it is entirely proper for a company to follow a cautious claim policy. Companies that do so naturally irritate some people—particularly those who feel that insurance companies have unlimited amounts of money and can pay everything without any cost to anybody.

"These complaints multiply as against large volume companies and there are rumblings against them," he said. "I think it is highly questionable whether state insurance departments should impose upon companies a generous and free spending claims practice except to insist that there be no illegal methods or deliberate delays. Fortunately the public appears to have a solid and growing confidence in the life insurance industry as a whole."

Need More Confidence

"It is the concern of all of us in insurance departments to try and figure out ways in which this same strong confidence may be extended to operations in other lines where experience is much less predictable and insolvencies, even in good times, are sufficiently common to cause bad public reaction."

"There is much which must be done in achieving greater public confidence in individual accident and health coverages. In this highly competitive field, we are still a long way from stability and it appears probable that excessive profits by many companies on some types of contracts will cause a bad reaction when it becomes known. We do not regulate accident and health rates under our Illinois law and I hope that it will not be necessary for the legislature to give us that authority. However, we do know that the loss ratio on many policies being sold in this state is considerably less than 25%. Numerous changes in policy forms make it easy for the companies to claim that their experience is not yet matured and this makes it difficult for us to discourage these practices."

Important Effect of Assets

Mentioning the tremendous importance of life company assets in the national economic picture, Mr. Day said that the opinion has been expressed that because of the huge concentration of assets now controlled by the life companies, this will probably be the first major field of insurance with which the federal government will concern itself some day in the future.

"So long as these assets are managed in the public interest and the public is kept informed of that fact, the date when federal intervention may take place should be well into the distant future," he said.

ADDED COSTS

Mr. Day warned of the added cost of putting additional types of insurers under his department's jurisdiction. He mentioned the law passed this year that puts health service corporations under the department's wing and said it is quite possible that several hundred such insurers may be formed. This would mean before long a major increase in the department's budget, personnel and space.

Mentioning one way in which the department is trying to cut out needless work, Mr. Day said that for years the department has always required that agents file annual applications for renewals of licenses and that companies file requisitions for licenses for these agents.

"Sometimes there was no application
(CONTINUED ON PAGE 21)



J. E. Day



*I have, too,
got a Father!*

"It's not fair to say I haven't! Everybody has fathers—specially me! Daddy may not be here . . . but he takes just as good care of me as yours does. Maybe better! My Mother told me so. She says all fathers try to take care of their children when they're here. But it takes a pretty special kind to look after you . . . even when he's called away. She says my father planned and planned . . . and gave up things, too . . . because he loved us more than lots of dads."

Helping a father to guarantee his child a sense of security is just one of the deeply satisfying jobs of the life insurance salesman . . . a job which earns him the respect of all he contacts.



ÆTNA LIFE INSURANCE COMPANY

HARTFORD 15



CONNECTICUT

MR. AGENT . . .



Illustration shown is Cover Page of one of our Sales Pieces which won "Award of Excellence" Life Insurance Advertisers Assn. It's a hard-hitting visual savings plan presentation.

Perhaps Pan-American Life Insurance Company can help you solve the "If's in Your Life." You will find that Pan-American Representatives are armed with competitive merchandise, flexible underwriting, invaluable sales aids... all of which enhance your chance of success. What's more, our carefully-chosen representative's desire-to-succeed is intensified by a plan of compensation which furnishes greater benefits to those who do an outstanding job—

A Career Contract.

CRAWFORD H. ELLIS
President



For Information, Address:
CHARLES J. MESMAN
Superintendent of Agencies

EDWARD G. SIMMONS
Executive Vice-President

KENNETH D. HAMER
Vice-President & Agency Director

PAN-AMERICAN
LIFE INSURANCE CO.
NEW ORLEANS, U. S. A.

Senate Committee Expected to OK Life Men's Program

WASHINGTON — Life insurance representatives have predicted that when the revenue bill came out of the Senate finance committee it would contain the amendment they recommended to enable retired life agents to pay income tax on monthly pension checks as they receive them rather than to pay the entire tax in the year they retire.

This will make the last of three things the bulk of the life industry asked of the finance committee. The others were: (1) substitution of the 6½% tax on life company income for the House revenue's bill stop-gap formula, and (2) knocking out of the bill the House provision for withholding tax on dividends and interest payments.

The finance committee added to the revenue bill a provision extending benefits of pension plan provisions provided in section 163 of the code to full-time life insurance salesmen who qualify as employees under OASI.

All of the committee decisions, if approved by the Senate, will be subject of negotiation, dickering and possible compromise or rejection in the joint conference committee on the revenue bill. However, life representatives in close touch with tax legislative developments seem confident that these provisions in which they are particularly interested will be accepted by the House conferees and retained in the bill as it becomes law.

The success of insurance people in obtaining finance committee approval of their proposals is regarded by observers as outstanding, especially in the case of the 6½% tax. When that was submitted to the finance committee it seemed to be the general belief it would

be rejected. But life representatives worked untiringly for it, day and night, for two months, finally attaining success.

The finance committee announced adoption of the new formula for one year only. However, it is pointed out that if the formula once becomes established in the law, the easiest thing in the future is to let it stand in succeeding years.

This was illustrated in the case of the 1942 revenue law formula providing for the "secretary's ratio," which remained in effect a period of years until it was succeeded by the Lynch stop-gap formula after life companies were found tax-exempt for a couple years under the old formula.

Meanwhile, its ways and means committee has directed congressional and Treasury experts to study life insurance company taxation and the taxation of mutual fire and casualty companies.

Consider Contributory Plan

Life insurance company interests had a meeting scheduled at New York this week to consider the Defense Department's proposed legislation to set up a system of benefits for survivors of armed services' members on a contributory basis.

Further consideration of this matter in Congress has been postponed until after close of the House recess Sept. 12.

Argue Term in Brooklyn

Edward L. Rosenbaum, general agent of Mutual Benefit Life, and Sam Rosan, general agent of Continental Assurance, have been arguing about the merits of term insurance in letters published in recent issues of the monthly bulletin of the Brooklyn Insurance Brokers' Assn.

Gause-Ware Changes Name

Gause-Ware Service of Fort Worth has changed its name to Family Security Insurance Co. of America.



Complete-
personal insurance service!

<input checked="" type="checkbox"/> Life	<input checked="" type="checkbox"/> Group
<input checked="" type="checkbox"/> Health	<input checked="" type="checkbox"/> Salary Savings
<input checked="" type="checkbox"/> Accident	<input checked="" type="checkbox"/> Franchise
<input checked="" type="checkbox"/> Hospitalization	<input checked="" type="checkbox"/> Wholesale
<input checked="" type="checkbox"/> Medical and Surgical Reimbursement	<input checked="" type="checkbox"/> Brokerage
	<input checked="" type="checkbox"/> Reinsurance

Registered Life Protection

Republic National Life Insurance Company

Theo. P. Beasley, President

Home Office: Dallas

Life insurance in force exceeds \$335,000,000.00

Debit Agent Unions Setting Stage for Fall Campaigns

CIO's Recent Hancock Success Makes It Formi- dable Rival to AFL

The new CIO union of debit agents, the Insurance & Allied Workers Organizing Committee, is aggressively campaigning to develop membership among Metropolitan and Prudential agents after winning nation-wide representation of all John Hancock debit men in the June election.

IAWOC leaders are now negotiating a new contract with John Hancock officials.

The union was organized by the CIO to replace the left-wing United Office & Professional Workers of America, which was banished from the CIO after being accused of being communist dominated. It has since disappeared almost completely from the combination agency field.

The new union is being nursed along by national CIO headquarters. Leader of the membership campaign among insurance agents is Vice-president Allen Hayward of CIO headquarters at Washington.

AFL, CIO to Fight It Out

The new CIO union has a big job cut out for itself in its membership campaign. The AFL made capital of the CIO union's embarrassment and is well established with debit agents now. It is ready to fight.

Union membership fees are \$2.50 a month. This represents a substantial income for a union, for Metropolitan's agency force numbers about 25,000 agents, Prudential's 18,000, and John Hancock's 6,000. A large proportion of these agents is unionized.

Union activity in Metropolitan has been quiet for some time. This is also true of Prudential with the exception of a brief strike led by insurgents in the Prudential's AFL union last spring.

Prudential agents in 35 states are now lined up with the National Federation of Insurance Agents Council. They have a contract with the company that expires on Dec. 1. Prudential agents in Minnesota, Wisconsin and Ohio, with the exception of agents in the city of Toledo, are represented by the International Union of Life Insurance Agents, an independent organization. (Toledo agents are in the AFL union.) The contract with agents in those states expires on Dec. 31.

Under labor relations procedure, unions notify a company 60 days before the expiration date of a contract that they wish to negotiate for a new contract or to amend the old one. Usually meetings follow at which the unions present their demands to the company. Discussions follow until a solution is reached through a new contract, though a strike or perhaps another election may intervene.

Skilled Negotiators

All big combination companies now have agency and legal department personnel, the latter with labor law background, to represent them at these meetings. The agents are represented by agents as well as by professional negotiators from union headquarters. To the latter these negotiations are simple matters of employee-employer bargaining. That a life insurance agent-home office relationship is involved is incidental.

Prudential will probably hear from the AFL union within a few weeks and

from the independent union during October, the unions' aim being new contracts to replace those now running.

The Metropolitan has contracts with the AFL union in Maryland and Missouri, and with IULIA in Wisconsin and Minnesota. This month there will be hearings before the national labor relations board on the petitions of unions desiring to be certified as representing the company's agents in New York, New Jersey and Pennsylvania. If the petition is allowed, an election will follow.

Both the AFL and CIO unions are

prepared to make all out efforts to win these elections because of the large number of agents located in those states.

These new contracts, incidentally, must be reviewed by the wage stabilization board in Washington as well as by various insurance departments before they become operational.

Dedicate Memorial Plaque

A bronze memorial plaque to honor and list veterans of the last war who left employment at the Northwestern Mutual home office was dedicated by

President Edmund Fitzgerald, with veterans still with the company in attendance. The permanent plaque replaces a temporary panel and contains 225 names, include one gold star and one silver star.

Arthur Milton of New York, who became the first general agent of Postal Life when it changed over to an agency basis, has completed three years in that post. He not only built a strong agency that led the company in 1948 and 1950, but he also has been the top personal producer for each of the three years.

Emphasis on CLIENTS

The National Quality Award was received by over 7,900 agents in the United States and Canada this year. With these able underwriters the emphasis is *always* on clients. They earned their "Q" by:

- ★ Careful Selection of Clients
- ★ Satisfaction to Clients
- ★ Continued Service to Clients

Dan K. Beard, Harrisburg
James H. Black, Jr., Indianapolis
Robert S. Caulkins, Cleveland
John H. Collison, Jr., Baltimore
John E. Driscoll, Springfield
Paul T. Engelhardt, San Antonio
Tollie E. Epps, Raleigh
Louis J. Fink, New York (G)
Purcell G. Gillmore,
Los Angeles (J)
Frederick R. Griffin, Jr.,
Philadelphia (M)
Walter H. Gruner, Rockford
Cora E. Hartvig, Los Angeles (J)
James Holland, Atlanta
J. Baxter Jouvenat, Jr.,
Los Angeles (J)
Edward T. Kirtz, Cleveland
Frank J. Lynch, G. A., Minneapolis
R. Howard Mate, Grand Rapids
S. Russell Mickle, Charlotte
Bert M. Miller, Grand Rapids
Donald C. Newton, Syracuse
W. Robert O'Brien, Cleveland
Giulio Pontecorvo, New York (G)
Marshall F. Rey, Buffalo
Clay M. Rhodes, Louisville
Robert E. Scott, Grand Rapids
P. L. Bealy Smith, G. A., Atlanta
Loren D. Stark, Houston
Herbert E. Stein, Davenport
C. Armand Thorpe, Atlanta
C. Theodore Trolin, Hartford
Ferdinand A. Zulandt,
Los Angeles (J)

The Connecticut Mutual is proud of the increasing number of its field representatives who have qualified during the seven years since the NQA came into being. Here are the figures on Connecticut Mutual agents' National Quality Awards:

Number Qualifying			
1945	55	1948	183
1946	99	1949	178
1947	116	1950	175
1951	197		

And to the left are the names of the Connecticut Mutual men who have earned the NQA designation for every year in which the awards have been made. These men have certainly earned our admiration and congratulations. But beyond that they may take satisfaction in having done outstanding jobs for their clients, and in having improved their own futures in terms of both prestige and income.





*"Your check
boosted my morale!"*

So writes a GUARDIAN Policyholder,
collecting his disability income.

The letter continues:

"At our bank, they said yours is an excellent company and that I have a wonderful policy. It certainly means a great deal to us now."

"I shall keep you informed of any change in my condition. I am eager to work if possible. Until then, your checks will certainly help."

GUARDIAN has been writing disability income protection in conjunction with our regular life insurance contracts, continuously since 1916.

Just how important this protection is to policyholders is illustrated again and again by cases in our files. This is one reason why GUARDIAN representatives are proud to offer our modern disability provision, which pays \$10 per month per \$1,000, to a wide range of prospects.

P. S.
We're currently paying additional dividends on policies that include the disability income provision.

The
GUARDIAN
Life Insurance Company
OF AMERICA

FIFTY UNION SQUARE NEW YORK 3, N. Y.

Cohen Suggests Further Increases in OASI Benefits

WASHINGTON — Wilbur Cohen, social security administration technical expert, has suggested legislation to authorize a \$5 per month increase in OASI benefits and an increase in maximum benefit from \$150 to \$160 per month, together with modification of the benefit formula.

Mr. Cohen's views are presented in an article entitled "Should Old-Age Assistance Again Outpace Old-Age Insurance?" in the U. S. Chamber of Commerce publication, "American Economic Security."

Its editor notes, however, that a House bill carrying Senator McFarland's amendment to up public assistance payments has been referred to the House ways and means committee and that "little action is expected . . . this session."

An amendment proposing to increase OASI benefits was offered by administration senators to that bill in the Senate, but rejected. Since then Senator Humphrey, Minnesota, has introduced a bill to carry out that purpose.

Would Reflect Wage Increases

Mr. Cohen suggests modification of the benefit formula to reflect wage increases, and adds: "One possibility along this line is to change the 50% of the first \$100 to 50% of \$120 or \$115."

Changes along lines he suggested, Cohen says, can be made without changing contributions to the program or impairing its actuarial soundness, in view of the schedule of increased OASI taxes.

Other changes he suggests for the long run are extension of coverage, increase of the wage base above the present \$3,600 a year and establishment

of a federal total and permanent disability benefits program.

Cohen concludes that the demand for improvement in private pension plans and public assistance payments will continue, and "a good defense also requires a good offense. Improvement in OASI is desirable; it is essential; and it is practical."

New Social Security Bills

Meanwhile, social security bills have been introduced as follows:

By Senator Magnuson, Washington, to extend OASI coverage to employees in the fisheries and related aquatic industries;

By Rep. Bennett, Florida, to amend the law by defining that a wife shall be deemed to be living, and a widow to have been living with her husband, unless the husband shall have been relieved of liability by court order to contribute to her support.

By Rep. Elliott, to extend and improve OASI with respect to the definition of employment and self-employment.

Life & Casualty will pay a 15-cent a share dividend Sept. 10.

Stuart A. Maher, new assistant secretary of the group department of Travelers, has long experience with that company, joining it in 1938 in the group field service division. He later served in the field at New York City, Toledo and Milwaukee. He went to the home office in 1946 as an underwriter and was later advanced to chief underwriter. He is a navy veteran.



Stuart A. Maher



A Money Maker

The NON-CANCELABLE MONTHLY INCOME DISABILITY policy is one of the unusual offerings available to Washington National representatives. Features of this money maker include the following:

Pays up to \$200 monthly for 2 years.

Guaranteed renewable to age 65.

House confinement not required.

Incontestable after 2 years.

Cannot be ridered after issue.

Accident Benefits from first day of disability; Sickness Benefits from first or eighth day, as selected by applicant.

Policy is non-aggregate.

Rates are low for top-flight coverage.

* * *

Full details about this highly salable coverage (and other commission-building plans) will be given to qualified persons who are at liberty to inquire.

**WASHINGTON NATIONAL
INSURANCE COMPANY**
EVANSTON, ILLINOIS

H. R. KENDALL, Chairman

R. J. WETTERLUND, President

G. P. KENDALL, Secretary

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N. A. L. & C. Stages Convention Tour of National Parks

North American Life & Casualty held an agency convention last week in the form of a 10-day tour of Yellowstone and Glacier National Parks. There were 125 in the group, including a home office delegation of 11 headed by President H. P. Skoglund. It was a de luxe sightseeing outing in areas of spectacular

entation. Some of the sparks from his anvil were: "Get the facts, then fix the problem." "An A. & H. policy provides tax free income." "You buy A. & H. insurance with good health, and pay for it with money." "Tell a prospect and he will oppose you, show him, and he will follow you."

Agency Vice-president Scholefield was moderator of the leading producers' sales forum which constituted the concluding session, and at which 10 speakers spoke for 10 minutes each. Those who participated were: Walter P. Young, International Falls, Minn.; Edward H. Brophy, Green Bay, Wis.;

Arthur C. Ulseth, Minneapolis; Rolland G. Jones, Vermillion, S. D.; Robert J. Vessel, Minneapolis; Charles E. Petilon, Minneapolis; Robert E. Moore, Tilsonberg, Ont.; Orren D. Olson, Redfield, S. D.; W. E. Arenstein, Bismarck, N. D., and D. G. Wadlund, Minneapolis.

President Skoglund made some interesting observations in his talk which summarized the meeting, one of which was that the decision of several large life companies to enter the A. & H. field will have a wholesome and beneficial effect on the disability business. These companies, he said, will conduct

their A. & H. business on a high plane as they do their life insurance affairs, will not hedge or haggle over legitimate claims, and so will tend to improve the public attitude toward disability insurance.

Mr. Skoglund remarked that the boom in hospitalization insurance is nearing its end, that the big push behind this form of coverage is behind and not ahead of the A. & H. companies. He predicted that the saturation point in hospitalization prospects is not far off. He concluded by saying that an increase in both life and A. & H. premium rates is inevitable.



H. P. Skoglund J. E. Scholefield

scenery; a reward for a record-breaking business volume piled up during a 15-month qualifying period which ended July 1. On the trip, business sessions were brief and infrequent.

In recent years the growth of North American Life & Casualty has been both rapid and impressive. Life insurance paid for went from \$35,341,529 in 1949 to \$55,481,996 in 1950. This year it will total \$60,000,000. Similar gains have been registered in insurance in force. In 1949 that figure amounted to \$97,223,406. At the end of 1950 it had increased to \$134,551,730. President Skoglund expects the company to reach \$170,000,000 insurance in force this year and \$200,000,000 some time in 1952. It took the company 53 years to reach \$100,000,000 in force, but its next half million was put on the books in only 16 months, and was attained this July.

The driving force behind the company is President H. P. Skoglund. He is "Skog" to all of the North American family. Energetic and imaginative beyond the average, he has modernized and expanded all of the company's operations. It is licensed in 36 states and four Canadian provinces. It has developed a young, hard-hitting agency organization, mostly in the states west and north of Chicago. Last year, its A. & H. premium income totaled \$3,360,410 and will reach \$3,700,000 this year.

Business sessions on the recent tour began with a banquet at which James E. Scholefield, agency vice-president, was toastmaster. President Skoglund accorded special honors and recognition to the leading producers in various categories. The banquet speaker was Howard J. Burridge, THE NATIONAL UNDERWRITER.

Carl A. Peterson, assistant to the president, was chairman of the second business session at which seven pieces of new sales promotion material for A. & H. policies were distributed. Illustrated, attractive in design and layout, the new sales aids and their uses were explained by those who created them—C. P. Palm, second vice-president; W. O. Johnson, agency assistant; and George Parsons, assistant advertising director.

Carl A. Ernst, St. Paul manager and president International Assn. of A. & H. underwriters, said the association will publish some time next year a disability sales course which will include material of a number of contributors. Speaking of the new monthly magazine to be sent to members starting this month, Mr. Ernst said it will be pocket size, contain no advertising, and will feature in condensed form the sales ideas being used by successful A. & H. field men.

Mr. Ernst gave a rousing sales talk in which he advocated more showmanship during all periods of the sales pres-

... More precious than ever



To the life insurance policyholder who joins the armed forces, loved ones at home are more precious than ever. Their protection becomes an immediate concern.

Realizing this, we alerted each of our policyholders-in-uniform to the rights and privileges he has for keeping his life insurance in force.

If making premium payments directly to the Company is inconvenient, the policyholder can authorize the government to deduct and remit them from service pay. Or he can make advance payments, at a discount. Another alternative is for the government to advance the premium payments under the Soldiers' and Sailors' Civil Relief Act.

Thanks to the help of the press and radio, this timely information has been brought to the public at large through the news columns. We are anxious to help all policyholders in the armed forces to continue their life insurance plans . . . for, after all, family security is one of the most important things they are fighting for.

WEATHER STAR ATOP OUR HOME OFFICE BUILDING — FLASHES OFFICIAL WEATHER FORECASTS



THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

1740 BROADWAY AT 55TH STREET • NEW YORK 19, N.Y.



Heard about Cal-Western's "YOU, Inc." training plan? It really makes sense! You see, each agent sets up his own corporation. He's chairman of the board. And the rest of the family are directors. It isn't a game. It's dead serious . . . and we all watch sales figures and expenses like a hawk. It's the smartest way I've ever heard of to get a man working on a business-like basis. For the first time in my life, I'm really organized—a going corporation! Small wonder folks say...

With Cal-Western
It's MORE Than a Contract
... It's a CAREER!

California-Western States
LIFE INSURANCE COMPANY

HOME OFFICE: SACRAMENTO



RELIANCE LIFE
INSURANCE COMPANY OF PITTSBURGH

N. Y. Life Makes Branches "Part of the Community"

New York Life has resisted the trend to centralized premium collection and agency recording procedures and is continuing a planned distribution of company activity among its 137 branch offices.

Company policy is to transact as much business locally as it possibly can, to make its agents and offices "part of the community" in which they are operating, a theme borne out in the company's national advertising.

All basic policyholder records are kept in the branch offices including a complete premium, dividend and loan history as well as an index to all beneficiary and title questions. Any policyholder can get the answer to the bulk of his inquiries at the local branch office. These branches are staffed by 2,250 company employees who service policyholders as well as some 5,500 agents. At the home office agency department the officer in charge of branch office administration is John H. Lane, assistant vice-president.

Branches are often of very substantial size. The company has about one branch for every 25,000 policyholders.

Closing Collection Offices

Recently the industry has seen a tendency for companies to establish centralized premium collection offices. Each company of course has its own problems and methods of operation and no one procedure is best for all. New York Life, however, has been gradually closing down these larger offices that service a group of agencies in large cities. All but one will be discontinued by the end of the year.

One unforeseen good feature of the decentralized record system, that wasn't of any general concern at the time the program was begun, is the safeguarding of policyholder records from possible atomic bomb destruction. New York Life didn't have to microfilm policy records since it already had duplicate records, well distributed. This has saved much of the work and expense that has been the lot of other companies.

Claims up to \$5,000 are paid at the branches. Loans up to \$3,000 cash at one time are also made there. These maximums provide a financial safeguard to insure that the branch always has sufficient cash on deposit. A policyholder who has left dividends at interest also can pick up his money at the branch.

Agents' production and earnings records are also maintained at the branch. Summaries are sent to the home office from time to time.

The maintenance of records locally has been helpful to agents. They have access to complete policy records and can pick up valuable information for service calls or to make additional sales. They are alerted by various acts of policyholders such as change of premium made, loans, etc.

An important reason for this program of localizing a big New York financial institution through a branch office is to give it home town appeal. The company fosters the idea that the people on the spot are the company in so far as the policyholders are concerned. It implants the idea that "neighbors" operate it or can act for it in the area.

This has given the metropolitan organization a grass roots appeal that has been converted into many millions of new business.

New Wage Board Panel on Commission Stabilization

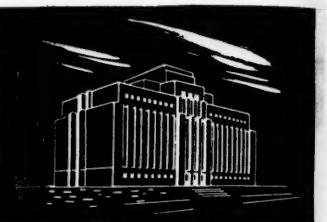
WASHINGTON—The wage stabilization board has appointed a tripartite panel which includes Fred Piper of the CIO Insurance and Allied Workers Or-

ganizing Committee among its labor members, to study "special problems of applying the stabilization program objectives to commission earnings." The panel met here Aug. 31. Other panel members besides Mr. Piper are:

Public—Herbert Unterberger, labor economist and formerly of the national war labor board; Benjamin C. Roberts, New York attorney and arbitrator.

Industry—George Faunce, Continental Baking Co., New York; James Worthey, assistant to the president of Sears, Roebuck & Co., Chicago; Paul Potter, Paul Potter Associates, Chicago, alternate.

Labor—Ray McCall, Teamsters Union, AFL, New York, formerly of the war labor board's appeals and review committee.



YOU'LL FIND

it profitable to check with us
when you want to make the best
possible placement of business.

MORE THAN

\$1½ Billions

of life insurance
in force

MORE THAN

\$½ Billion

in
assets

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- ✓ 1. Accidental Bodily Injury Insuring Clause.
- ✓ 2. "His Occupation" Definition of Total Disability.
- ✓ 3. Non-aggregate coverage for as long as 120 months or to age 65—House confinement never required.
- ✓ 4. Lifetime Accident if desired.
- ✓ 5. Waiver of Premium after 90 days.
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pre-approach plan

Brokerage Business Invited

PROVIDENT LIFE AND ACCIDENT
Insurance Company

Mutual Life Head Stresses Inflation, Taxation Concern

HOUSTON—Concern over inflation and federal taxation of life insurance was expressed here by President Louis W. Dawson of Mutual Life at the conference of leading agents of the company and of executives. Mr. Dawson also pointed to some of the ways in which Mutual Life in recent years has added to its strength.

Mr. Dawson doubts that the danger of inflation is over. In recent months it seems to have been checked but there are strong forces in the making which could start the spiral again. Armament orders are being placed at the rate of \$1 billion a week and likely will be stepped up. This results in a tremendous payroll increase and a dwindling output of civilian goods. It means more money to spend but less to spend it on.

Inflation, of course, has many adverse effects on life insurance by increasing its cost and lowering the value of its proceeds. But another development of great concern is the increase in federal income taxes on life companies. In 1943 taxes were \$27 million, about one-third of a cent per premium dollar collected. For 1950 they are over \$74 million, or a cent for every premium dollar, and in 1951 \$125 million, or 1 1/4 cents, or double what they were in 1949 and quadruple those in 1944. No other business has had such an increase in taxes. Added to \$150 million of state premium and municipal taxes, excluding real estate, the total bill will be 3 1/2% of annual premium income.

Built Strong Surplus

Mr. Dawson noted the fact that Mutual Life in recent years has built up a very strong surplus, more than \$185 million, which is almost the 10% statutory limit. Yet mortality experience and investment income have improved. It has increased its dividends 40% from 1945 to 1951. Adoption of termination dividends has resulted in a further improvement of the company's insurance cost position.

The program of mortgage lending the company launched some years ago, negotiating for commercial, residential and farm loans directly with borrowing corporations and exploring new investment fields, particularly in production and transmission of oil and gas, have helped increase net yield on all assets from 2.78% in 1944 to 2.95% in 1950. At the close of 1945 the company had \$944 million invested in U. S. governments. Since then the company has reduced governments to \$700 million, investing the proceeds largely in mortgages and corporate securities. By thus answering the huge postwar demand for housing and industrial development, it has benefited policyholders through higher yields.

Canada Designates C.L.U.'s

Life Underwriters Assn. of Canada has released the results of C.L.U. examinations held last May. Examinations leading to the designation were instituted in 1925 and since that time have constituted a major effort in the field of adult education on the part of the association.

In the intervening years, the courses of study leading to the designation have become more comprehensive and the examinations more difficult. Today any person who completes these studies and passes the several examinations

involved has demonstrated a thorough knowledge of the whole field of life insurance from the point of view of the salesman and the buying public.

Studies leading to the C.L.U. designation now extend over three years. Underwriters are being guided in their study of the prescribed texts through the department of university extension at the University of Toronto, and the studies for French speaking students are being directed by the extension department of L'Ecole de Commerce of Quebec City. Subjects covered include Life Insurance Principles and Practice, Life Insurance Law, Life Underwriting and Salesmanship, Psychology, Business Finance, Business English, Estate Administration and Business Insurance.

Today, over 1,200 representatives are active chartered life underwriters. More than 600 candidates wrote the first, second or third year examinations this year. The association disclosed that 164 candidates completed the first year examinations, 154 completed all or parts of the second year and 122 candidates completed the third and final examinations. Of this latter number 106 have completed all necessary requirements and have been awarded the right to use the title and designation C.L.U.

Death Before Age 65 Claims About 50% of Americans

Despite the great victories of medical science in combating premature death, life ends before age 65 for half of all American males and 40% of all females, Metropolitan Life statisticians report. Each year about 360,000 men and 200,000 women die before reaching their 65th birthday.

These figures include over 100,000 deaths annually among infants under one year of age, and this although the mortality rate among babies in the first year of life has been reduced by more than one-third in the last 10 years.

Further Reduction Seen

"While there are many biological and environmental hazards which beset early life, much more can be done either to prevent or to overcome them," the statisticians observe. "The measures being taken in many communities to provide special facilities for the care of prematurely born children should prove effective in reducing further the mortality in infancy."

All of the common diseases, including the so-called "old age diseases," cause a relatively high proportion of deaths before age 65, it is noted. This is espe-

cially notable in deaths attributed to heart disease and cancer.

Although there is just cause for pride in the gains which have been made in conserving life the statisticians comment that much still remains to be done, especially in the earlier years.

Agents Group Prepares New A. & H. Sales Course

International Assn. of A. & H. Underwriters has completed an A. & H. sales education course which will be made available shortly to all persons interested in A. & H. selling problems. The course is entitled "disability insurance sales course," and its introduction is current with the entrance of a number of life companies into the A. & H. field.

The editor is Bert Hedges, Kansas manager of Business Men's Assurance, Wichita, assisted by J. D. Westra, North American Life & Casualty, Madison; Charles Ray, Hoosier Casualty, Indianapolis; Gerry Ramsey, Olympic National Life, Seattle, and Roy A. MacDonald, Health & Accident Underwriters Conference.

Before the course is made available locally, a pilot course for training of instructors has been tentatively arranged with the University of Illinois to be given at Champaign in December.

Broad Insurance Coverage

Nonparticipating Insurance

Participating Insurance

Juvenile Insurance

Special Low Cost Plans

Flexible Family Income Plans

Retirement Plans

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Sub-Standard Service

Wide Age Range

Salary Savings Systems

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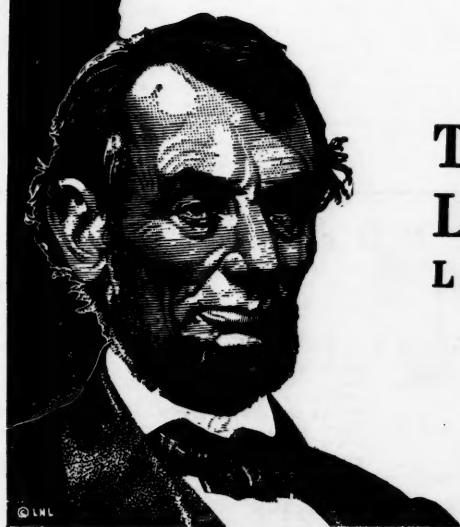
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L N L is Geared to Help Its Field Men

The LINCOLN NATIONAL LIFE INSURANCE COMPANY

Fort Wayne 1, Indiana

Its Name Indicates Its Character



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AGENTS —
EARN \$25,000 YEARLY
"MILLIONAIRES SALES KIT"
HOW I DID IT AND
HOW YOU CAN DO IT
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EDITORIAL COMMENT

Double Standard in Georgia

The Georgia licensing law passed earlier this year gives the insurance commissioner virtually absolute power over any out-of-state insurance company by permitting him to refuse to grant a renewal of license if he should hear anything detrimental about the company. There is no chance for a hearing unless the commissioner should care to grant one.

The law was promoted by the Georgia department. Commissioner Cravey quickly proceeded to make use of his new-found authority. The company he went after happened to be Bankers Life & Casualty of Chicago, but it could just as well be any other that the commissioner of the moment happened to want to proceed against.

The strangest aspect of the law is that it permits domestic companies to demand a hearing under the due process clause but denies the right to out-of-state companies. The state attorney-general, acting for Commissioner Cravey, contended that a foreign company hasn't the right to plead due process. The Georgia legislature in its licensing legislation, he argued, granted a one-year "privilege" to a foreign company to do business. The law provides that the commissioner can refuse to renew this "privilege" for another year if he "hears" anything against the company.

The commissioner isn't required to prove that there is any substance to the

reports he has picked up. He doesn't even have to give the company the chance to try to disprove them. Obviously, if a commissioner has it in for a non-Georgia company or out-of-state companies generally he can effectively block it from doing business in Georgia, and on the flimsiest excuse for evidence.

The law has the effect of holding an arbitrary and unjust club over the head of any foreign company licensed in Georgia, discouraging it from attempting to build up an agency organization on a permanent basis.

The law is so clearly a bad law that to describe it is to condemn it. It is a backward step, for an essential part of the insurance business, as of all business, is the right to do business freely across state lines with a minimum of interference. Attempts to "balkanize" the country by setting up trade barriers around states always hurt the state that tries it even more than the outside businesses that want to operate there. Nevertheless, it is from the businesses affected that the most vigorous protests must come.

Bankers Life & Casualty's mandamus action to compel Cravey to restore the company's license on the ground that the new license law is unconstitutional is still pending. But without waiting for the final outcome of that action efforts should be got under way without delay to bring about the revocation of a law that is so unjust and harmful.

protected.

Taxation and inflated living costs have increased the demand for life insurance by convincing people of the difficulty of building up any sizable accumulation of wealth in any other way. The same factors must also serve to bring home the fact that insurance is the only way to make provision against disability and its accompanying drain on income.

Another factor is the trend toward

urbanization and smaller family units. When people lived in big houses as a part of a large family they could more readily look after each other in time of illness or accident. Today a person in a one or two room apartment has little choice but to go to a hospital.

It all adds up to a tremendous untapped market for A. & H., with all the natural factors on the side of the company and agent selling it and its related coverages.

PERSONALS

Isaac Miller Hamilton, chairman of Federal Life, celebrated his 87th birthday Sept. 6. The 52nd anniversary of his founding of the company comes two days later, on Sept. 8. He is the only living organizer of American Life Convention in 1905. He aided in the consolidation of H. & A. Underwriters Conference, and helped to organize Life Insurance Sales Research Bureau, now Life Insurance Agency Management Assn. The company is promoting a production contest this month to honor Colonel Hamilton's birthday and anniversary.

Elmer C. Moore, trustee of N.A.L.U. and Million Dollar Round Table producer with New York Life at Wichita, apparently instilled the idea of a "leading producer" in his daughter Gwen, now Mrs. Allan A. Gilbert of Chicago. She recently became the mother of twin daughters, who have been named Debbie and Libbie. The new grandfather is said to be passing out cigars in pairs.

W. C. Schuppel, chairman of Standard of Portland has been reappointed for a five-year term on the board of the public employees retirement system of Oregon. Mr. Schuppel was an appointee to the first board and has served as chairman since it was first organized.

Donald B. Warren, consulting actuary, will address the International Gerontological Congress at St. Louis Sept. 9-14 on "The Contribution of Private Insurance to the Security of the Aged."

Walter A. Robinson, Ohio superintendent, was tendered a birthday party by the members of his staff in his office at Columbus. About 45 persons were present and a luncheon was served. He received a number of gifts.

Pan-American Life's new home office building at New Orleans, pictured here, is expected to be ready for complete occupancy by Nov. 1.

The building will be formally dedicated Jan. 7 as the opening ceremony of the company's international dedication convention.

The convention will mark Pan-American's 40th anniversary and successful completion of a 10-year mutualization program. It is anticipated that Pan-American will have more than \$500 million of insurance in force by that time.

The building will have over 100,000 square feet of working space, plus a cafeteria, patio, recreation rooms and large auditorium.

OBSERVATIONS

Shed the Bodyguards

The life company president or other top officer with an eye toward the best possible agency relations will take care that at company conventions and other similar affairs that he is not surrounded with such a large entourage that he is inaccessible to the agent. Apparently nothing annoys agents more than a top executive who is surrounded by a bodyguard of other officials that renders him impregnable to approach.

All That Glitters Is Not Gold

The home office agency department of a big mutual company recently became enthusiastic about the fine record one of its agencies had in keeping down its volume of term. It was still doing a good production job so executives dispatched a man to determine the reason for this feat, which wasn't being matched at all by the other agencies.

On the spot the investigator found the story was a bit different. Not only were the agents and the manager in the heralded city writing term, they were writing a tremendous volume of it. But they were placing it in one of the stock companies that writes term in big quantities. Sad indeed were the home office faces when the story was reported. It wasn't long before the company broadened its term policy portfolio.

Ready for Common Stock

During the summer New York Life has added several men to its investment division who have had Wall Street experience in dealing with common stock purchases and analyses. Undoubtedly this means that the company has gone into that field or soon will. Since it



Life Companies in the A. & H. Field

Mutual Life's entry into the A. & H. and hospitalization field, the latest development in a rapidly moving trend among life companies, serves as a reminder of the way the attitude of the life business has changed in recent years.

It was not so many years ago that THE NATIONAL UNDERWRITER used to meet with occasional criticism from life company executives for running accident and health news in its life insurance edition. They felt that A. & H. was primarily the province of the casualty companies. Many officials of life companies not writing A. & H. were inclined to look down their noses at A. & H. And to give these critics their due, there was a good deal of justification for this attitude in the way that some of the A. & H. insurers conducted their operations. Even today the A. & H. business has problems, especially in

handling claims, that are a minor matter in life insurance.

The interest of the life companies in the A. & H. field is the result of response to public interest in protecting against the costs of medical and hospital care and against loss of pay through absence from work.

The extent to which life companies are seeking A. & H. business suggests the possibility that a saturation point may be not too far ahead. Yet the experience with other lines seems to indicate that the more producers beat the bushes for business the greater consciousness they arouse among the public as to the need of the coverage. As people become more security-conscious, they realize that no matter how much life insurance or property insurance they may have, they are not really secure as long as the income underlying all these other aspects of security is not

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would be unsound investment practice to indicate exactly what it is doing, or why or when, the first news of what that company, and Mutual Life, both of which supported the common stock amendment to the New York insurance law, are doing in the common stock field will probably not come until annual statements are filed for the year. They are due at the insurance department by March 1, 1952. Aside from the cautious approach these companies will be taking to the equity field, and current economic conditions, wide commitments in other fields have kept down company interest in equities.

DEATHS

JOHN B. GARST, 82, for a number of years manager of Shenandoah Life at Martinsville, Va., died there following a short illness. He helped organize the Martinsville Assn. of Life Underwriters.

ROBERT H. MING, 54, group supervisor for Metropolitan Life at St. Louis, died of cancer. He had directed group insurance operations in a three-state area.

JOSEPH DROOZ, 55, assistant manager of Metropolitan Life at Albany, N. Y., for 17 years before moving to Schenectady, died.

ARNOLD L. PAGE, 46, controller of Woodmen of the World, died of a heart attack at Omaha. Mr. Page had been controller for 19 years.

Manhattan Leaders Receive Awards at Agency Conference

A panel discussion on "Selection, Training and Supervision" brought to a conclusion the agency conference of Manhattan Life at Bolton Landing, N. Y. With 168 in attendance, a new company record was set not only for the overall size of the group but for the number qualifying for the Manhattan Club.

At the banquet, Manhattan Club and Fordyce summer campaign awards were presented by James P. Fordyce, chairman, and Thomas E. Lovejoy, Jr., president.

Julius Sackman, chief of the life bureau of the New York department, spoke on "The Strategic Importance of the Life Underwriter in Modern Society."

Of the 15 awards for sales leadership presented at the banquet, James G.

Ranni, general agent New York City and Miami, and Harold L. Regenstein, Peyer agency, New York, tied for top honors with three each. Mr. Ranni's New York office won the Manhattan Club award for leading general agency in premiums and the division 1 Fordyce summer campaign trophy and his Florida office received the division IV plaque in the Fordyce campaign event. Mr. Regenstein won Manhattan Club awards as leader in volume, leader in new paid-for lives and leader in paid premiums. Other award winners were the Campbell & Demarest agency, New York; Richard M. Grosten agency, Los Angeles; William J. Schloen and Harry Levey, Schloen-Levey agency, Beverly Hills, Cal. A. Linus Pearson, Seattle, and the Cecil M. Schilling agency, Burbank, Cal.

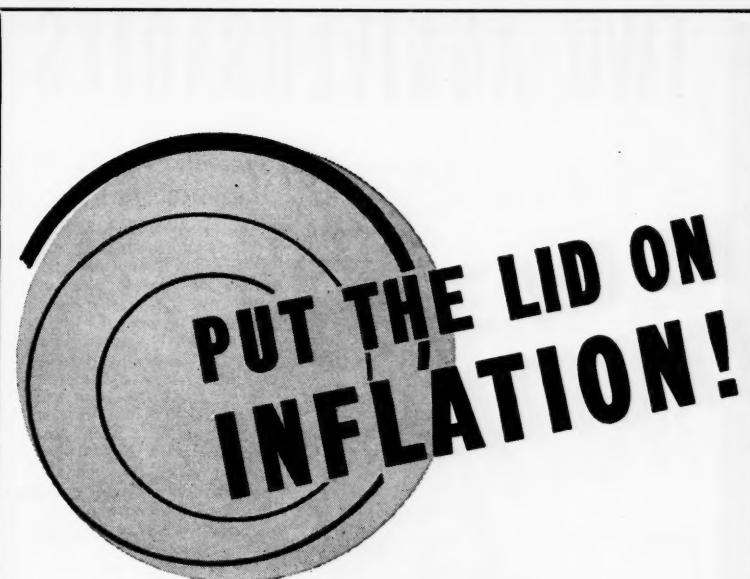
Panel Discussions Featured

Seven panel discussions covering a wide range featured the business sessions of the conference. Subjects and panel moderators were: "Information Please," Elder A. Porter, vice-president and chief actuary; "Group Insurance and Pension Plans," James G. Ranni; "Brokerage Opportunities for General Agents and Supervisors," John F. Fixa, San Francisco general agent; "The Single Need or Package Sale," Alfred Schlesinger, educational director Grosten agency; "Business Insurance," Morris Harmelin, Newark; "Program Selling," Bernard B. Hoffman, Buffalo general agent; "Selection, Training and Supervision," Richard M. Grosten.

At the first business meeting, Mr. Fordyce welcomed the group, after which President Thomas E. Lovejoy took over as chairman for the day. Mr. Porter spoke on "Recent Company Developments," and Dr. L. Gordon LaPointe, recently appointed medical director, on "Inside Underwriting." Dr. LaPointe discussed the medical aspects of underwriting and gave suggestions to help the field underwriter in furnishing the home office with additional information which might speed the issue of cases.

Mr. Sackman in his talk reviewed the growth of life insurance in the United States from its earliest days, discussed the laws affecting agency operations in New York state and elsewhere and paid tribute to the work of local, state and national agents' associations for their contributions to the high professional standing enjoyed by their members.

William Elliott, president of Philadelphia Life, is recuperating at his home from an operation.



Buying things we don't need . . . outbidding each other for scarce items, sends prices soaring and puts the value of the dollar on the skids.

Saving instead of spending is the surest, soundest way to put a lid on inflation and avoid eventual disaster. Life Underwriters are America's most potent force in the fight against inflation. Life insurance takes dollars out of the high price inflation spiral and stores them away for the day when they will be more valuable because they will be more urgently needed.

Every life insurance policy put in force today is a triple threat to inflation. 1) It cuts down needless spending; 2) It builds economic security for the future; 3) It strengthens the purchasing power of the dollar savings of the 83 million life insurance policyholders in this country today.

Great Southerners are doing their share in this fight.

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LIFE—INCLUDING GROUP—A & H
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TWO ANNIVERSARIES

Our 40th



CARL F. MARSH
McCook
Nebraska

Carl F. Marsh's 31st

Throughout his busy and successful underwriting career with The Ohio National over a period of 31 years, General Agent Carl F. Marsh of McCook, Nebraska, has won and kept the high regard and loyalty of his many life insurance clients. He has also earned the admiration and respect of his Ohio National business associates in the field and at the Home Office for his excellent personal production and consistency record which has entitled him to well-deserved recognition on the Company's Honor Rolls for many consecutive years.

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Time is the fieldman's greatest asset. Invested wisely, it pays a handsome dividend. But time lost is gone forever. Question: Are you satisfied that your time-invested is paying the return you would like it to pay? Or is life a constant struggle to get ahead and keep ahead?

For insurance men of proven ability, Western Life offers an exceptional reward for their investment of time. With a scale of compensation far beyond average, plus vested renewals, promotion, and a liberal company pension plan, a connection with Western may well be the most profitable move you could possibly make. Why not write us for facts today? Your Manager's or General Agent's recommendation will help.



Write or wire: Western Life, Western Life Bldg., Helena, Montana

LIFE AGENCY CHANGES

Rosen Denver General Agent for State Mutual

State Mutual Life has established an agency at Denver with Bernard S. Rosen as general agent.

After discharge from the army in 1946, Mr. Rosen spent a year as an independent broker and then joined New England Mutual Life as an agent at Boston. He has addressed several life organization meetings and has served as a director of Boston Life Underwriters Assn., and editor of that group's publication. He is a C.L.U. and a graduate of the L.U.T.C. courses.



B. S. Rosen

Miller New Penn Mutual Milwaukee General Agent

Dustin Miller has been appointed general agent for Penn Mutual Life in Milwaukee and southeastern Wisconsin. Paul H. Kremer, for 30 years general agent at Milwaukee, will continue as associate general agent.

Mr. Miller has been with Penn Mutual at Peoria, Ill., for 12 years. He has served as president of Peoria Assn. of Life Underwriters. He is a navy veteran.



Dustin Miller

Names Scales, Teeter

Great Southern Life has appointed Clyde M. Scales manager in northeast Texas with headquarters at Tyler, and Ransom A. Teeter, manager in south

Prudential Names Edge to Nashville; Myatt to Memphis

Prudential has appointed Louis K. Edge, former manager at Memphis, manager at Nashville. Lewis J. Myatt, assistant manager at Birmingham, Ala., will succeed Mr. Edge at Memphis. Mr. Edge joined Prudential as a clerk at Shreveport, La., in 1933. In 1941, he was promoted from special agent to assistant manager. Six years later he was made manager at Memphis.

Mr. Myatt, a former school teacher, joined Prudential as an agent in 1937, after 10 years with First National Life. He was made assistant manager at Birmingham in 1939.

Shank Named at Kokomo

James N. Shank has been named general agent of Standard Life of Indiana at Kokomo. He has been an agent of the company there.

Sexton Heads S. F. Agency

John L. Sexton has been named manager of the metropolitan agency of West Coast Life at San Francisco. He has been with the company for four years, recently in charge of the sales promotion department.

Western States Names Two

Western States Life has appointed Ralph A. Stiles general agent at Aberdeen, S. D., and N. C. Klabo general agent at Grand Forks, N. D. Mr. Stiles was formerly district manager for Pilot Life at High Point, N. C., and Mr. Klabo was formerly with Guarantee Mutual.

Prudential Appoints Three

Prudential has appointed Roland E. Bunting district manager at Oil City, Pa. He replaces Virgil Maul, who has been named district manager at Zanesville, O. Mr. Bunting joined Prudential in 1939 as an agent at Detroit. He spent nine years there, leaving the post of staff manager in 1948 to become district manager at Pittsburgh.

Joseph Spremulli has been named district manager at Greenville, S. C. He succeeds George H. Jackson, who has retired. Mr. Spremulli joined Prudential in 1926.

Cleared of Discrimination Charge

Travelers has been cleared of charges that it exercised racial discrimination in refusing a personnel job to a Negro applicant by a panel of the Connecticut civil rights commission.

It is believed that there is little possibility that the state will appeal the panel decision, based on the conviction that Travelers exercised "good faith" in its choice for the job.



FABLE

Once upon a time a man left his family a large amount of life insurance. But his widow refused to accept the money thereby provided because its value was inflated.

Moral

"Better is half a loaf than no bread."

LIFE

Insurance Company

of

VIRGINIA

Established 1871
Richmond, Va.

Robert E. Henley, President

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Louisiana, with headquarters at Baton Rouge.

Mr. Scales succeeds Elmore Gibbs, who has just returned to personal production. A navy air corps veteran, Mr. Scales joined the company in 1949 at Corpus Christi. Mr. Teeter, also a navy veteran, has been in life insurance since 1947 as an agent of Equitable Society at Baton Rouge.

Six Named by Travelers

Travelers has appointed E. Wade Wood group supervisor at Atlanta. Four field supervisors named are: David A. Hunter at Halifax, N. S.; Gregory P. Michaels at Houston; Clyde C. Bell, Jr. at Reading, Pa., and H. Eugene Combs at Oklahoma City. Samuel R. Wyzenbeek, Jr., field supervisor at New York City, has been appointed in the same capacity at Los Angeles.

Hoover Memphis Manager

Glade G. Hoover has been appointed manager of Shenandoah Life's newly established agency at Memphis, Tenn.

Joining the company in 1945, Mr. Hoover was advanced to supervisor at Clarksburg, W. Va., in 1947. He has completed the Purdue course.

Owens Now Ass't Manager

Llewellyn G. Owens has been named assistant manager of the Hodder agency of Equitable Society at Chicago. He started with Equitable there as an agent in 1932. After navy service he returned in 1945 as assistant manager of the Robert R. Reno agency, predecessor of the Hodder agency. Since 1946 he has been assistant to Walter L. Gottschall, Equitable's director of agencies at Chicago. He is a C.L.U.

Pacific Mutual Names Lewis

Pacific Mutual has appointed Arthur Lewis general agent at Miami. Mr. Lewis joined the company in 1942 at Los Angeles. Three years later he was named general agent at Newark. The Newark agency will be operated for the present as an interim branch office.

On Mr. Lewis' staff will be Dave J. Cohn, formerly general agent at Miami, who will devote his time to personal sales and service.

N. W. Mutual Ups Simpler

Northwestern Mutual Life has appointed Albert A. Simpler, Jr., district agent at Wilmington, Del., succeeding Jefferson F. Pool, who has returned to personal production. Mr. Simpler started with Northwestern Mutual at Milwaukee in 1945 and went to Wilmington in 1946.

Empire State Mutual Life has appointed John C. Stott general agent at Norwich, N. Y. Mr. Stott has long operated a general insurance agency there and is now expanding it to the life and A. & H. fields. He is a past president of National Assn. of Insurance Agents.

Farmers Life of Iowa has appointed L. J. Sherman Indiana state manager with headquarters at South Bend.

Frank Marryott on Deck

In line to succeed Clarence Heyl of Peoria as chairman of the insurance section of American Bar Assn. at the annual meeting at New York the week of Sept. 17 is Frank Marryott, who is general counsel of Liberty Mutual of Boston. He is the first vice-chairman and if he continues to conduct himself with his customary dignity for the next few days, he is regarded as being certain of election.

Second vice-chairman is Ralph Kastner, associate general counsel of American Life Convention, Chicago, and he will normally proceed to be first vice-chairman this year and chairman in 1952.

POLICIES

Indianapolis Life Increases Premium Deposit Interest

Indianapolis Life is raising the minimum interest payable on premium deposit funds from 2% to 2½%. The raise is due to an increase in the rate of interest on new investments. The company is also increasing the limits of issue on annuities and single premium policies.

West Coast Life Offers New Group Package Plan

A "package" plan, combining group life insurance with the prepaid health benefits of California Physicians Service, soon will be offered for the first time in northern California to employed groups of 10 or more persons by West Coast Life.

Until a recent revision in California law, group life insurance was limited to employed groups of 25 or more persons. The new law, which becomes effective Sept. 22, drops the minimum employee requirement to 10.

The change in the law applies only to

the insurance features being provided by West Coast Life. It has no bearing on group enrollment requirements for C.P.S. health benefits which have always been available to employed groups of less than 25.

Two New Policies Offered by United States Life

United States Life has developed a policy which becomes paid up at the insured's age 65, regardless of age of issue, and which can be coupled with income riders to complete the development of the insured's program under the "social security" approach. It features a special endowment option, and is being offered for all qualified ages.

The company has also made available a new policy called the mortgage protection plan. This plan is a monthly reducing policy designed in five terms from 10 to 30 years to fit usual mortgage protection requirements. It will be issued from ages 20 to 60, and will be convertible prior to age 60. Waiver of premium benefit will be possible under the new plan.

New Youth Estates Plan

Republic National Life has introduced a new juvenile contract known as the the Savings Bank Life Insurance Fund.

"youth estates plan." The policy may be issued at ages 0 to 14 inclusive in multiples of \$1,000. The full face amount is payable in event of death after the first policy anniversary, but is tripled at the anniversary nearest insured's 21st birthday, and the policy matures as an endowment for the tripled amount at age 60. Premiums remain uniform throughout the life of the policy.

N. Y. Society C.L.U. Drive

Insurance Society of New York this fall is sponsoring C.L.U. courses in Long Island and Westchester as well as New York City to supplement the society's efforts to make this year's enrollment the largest ever, in honor of Dr. S. S. Huebner. Classes will be conducted in Lynbrook and Bronxville. Registration information can be obtained from the school.

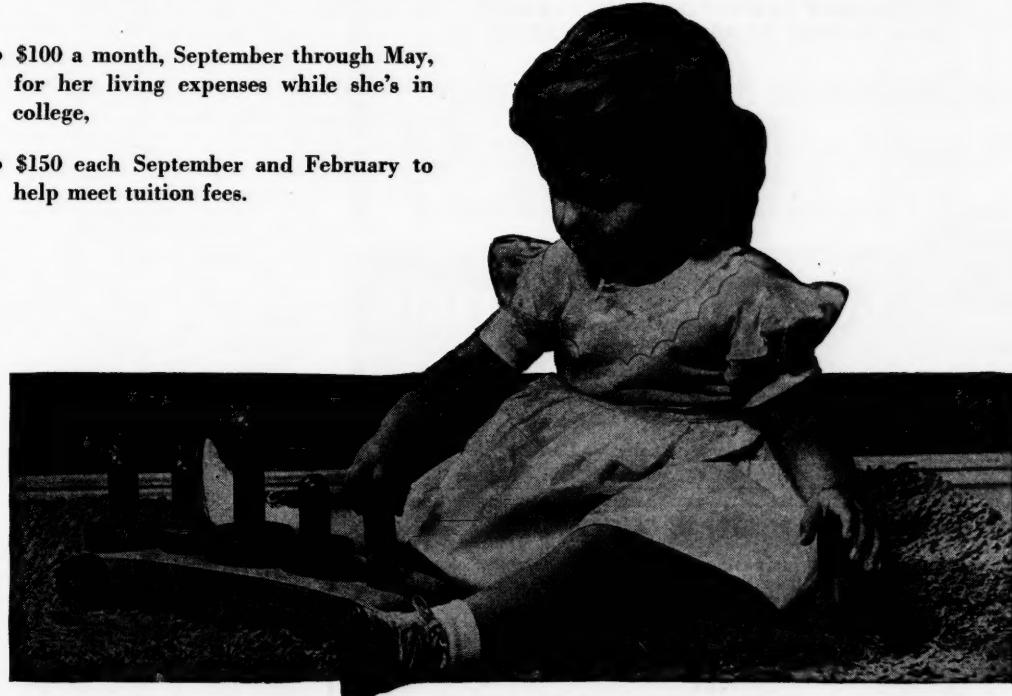
Savings Bank Congress

The New York State Savings Banks Life Managers Forum has scheduled a sales congress at Lake George, Sept. 19-21. Speakers include William P. Hughes, vice-president and secretary of the Savings Bank Life Insurance Fund.

Prudential Security Plans Sell Because They Serve

Carol Anderson started college at the age of one. Her dad, William Anderson, a Missouri doctor, has guaranteed her education with a Prudential plan that will pay—

- \$100 a month, September through May, for her living expenses while she's in college,
- \$150 each September and February to help meet tuition fees.



Frank Wilton, The Prudential man who sold this plan, says, "Dr. Anderson liked it so well that we arranged a similar one for his other daughter. I find that when a man meets all the other responsibilities of planning a good future for his family, he's usually anxious to make sure that his children will have a good educational start in life too."

The above facts are based on an actual case but of course true identities are not given.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

A mutual life insurance company



HOME OFFICE
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WESTERN HOME OFFICE
LOS ANGELES, CALIF.

CANADIAN HEAD OFFICE
TORONTO, ONT.

Builders of Men...

OUR AGENCY E-X-P-A-N-S-I-O-N PROGRAM IS GROWING AND GROWING

Because

GOOD MEN CAN MAKE MORE MONEY
SELLING COMPLETE PROTECTION PLANS
ALL UNDER ONE CONTRACT

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EXCELLENT TERRITORY AVAILABLE
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OUR BUILDERS OF MEN PLAN HELPS OUR MEN SUCCEED

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PRESIDENT

GEORGE L. HAMLIN, C.I.U.
AGENCY VICE PRESIDENT

1951—OUR 50TH ANNIVERSARY YEAR



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THE GREATEST FORWARD STEP IN COMPENSATING AGENTS

The Automatic Increasing Remunerator Contract,
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IMMEDIATELY

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PLUS

- Automatic additional increases of 8% — 16% — 24% in First Year Com-
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- Persistence Bonus, payable every three months
- Lifetime Renewals, a permanently increasing income
- Free Vacation, all expenses paid, each year
- Incentive Contests, liberal awards for all producers
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Agents can easily DOUBLE their income for good production.

With the A.I.R. Commission Contract—Outstanding Policies, we challenge com-
parison. This unusual contract available in Michigan — Illinois — and Missouri
— Write today for full details — Charles H. Davis, Supt. of Agencies.

**Bankers Mutual Life
Insurance Company**

G. C. French,
President

HOME OFFICE FREEPORT, ILLINOIS

An Old Line Mutual Legal Reserve Life Insurance Company

Bringing More Commissions to Life Producers



ACCIDENT AND HEALTH

Survey Shows 17 Million Have Own Hospital Cover

More than 17 million persons were insured for hospital expense under individual policies of private insurance companies at the end of 1950, according to the annual survey which has just been completed by the insurance department of the U. S. Chamber of Commerce. This represents an increase of almost 3 million or 20% over the preceding year.

The figures include only persons insured individually by private insurance companies, and not through Blue Cross and Blue Shield plans, mutual benefit associations, salary continuance plans, union method plans and other methods of voluntary coverage.

There were 2,714,000 persons insured against medical expense under individual policies of private companies, the report showed. This was an increase of 364,000 or 15.5% over the preceding year.

Completed questionnaires from 257 insurance companies and fraternal societies, representing 88% of the total premium income from individual policies issued in the United States, were returned in the survey. Data for companies not reporting were estimated from published reports of premium income.

Illinois Approves Modified A. & H. Catastrophe Policy

The Illinois department has approved Equitable Society's new catastrophe A. & H. plan after it had been modified for sale in Illinois by defining more clearly the application of the deductible in certain cases.

The Illinois policy contains a liberalization of Equitable's standard form so that it states that where only a single maximum benefit is allowable for several confinements due to the same cause or to related causes only a single deductible will be applied.

According to Equitable, it is the company's intention to pay claims on that basis under its standard wording. The Illinois wording merely spells out the intent more specifically.

Director Day of the Illinois department has made it clear that the department did not hold up approval of the policy because of any opposition to the idea of catastrophe A. & H. coverage but solely to obtain clarification of the treatment to be accorded illnesses from the same or related causes.

Utah A. & H. Assn. Elects

Hugh Tuttle, vice-president and agency director of Commercial Travelers of Salt Lake City, has been elected president of Utah A. & H. Assn. He succeeds Raymond R. Ross, Equitable Life & Casualty. Joseph L. Henroid, Security Life & Accident, was elected vice-president, and Jack R. Richards, Mutual Benefit H. & A., secretary.

The new president was host to more than 100 A. & H. men at a barbecue and musical program at his home.

19 Complete Purdue Course

A class of 19 students representing 13 states and Canada, was graduated from the 12th A. & H. short course held at Purdue University in August.

Co-sponsored by Purdue and International Assn. of A. & H. Underwriters, the course was instructed by William A. Buchanan, Taylor Publishing Co. Plans are underway to have another session at approximately the same time next year.

The opening talk was given by Chet Elson, Mutual Benefit H. & A., Indianapolis, president of Indiana Assn. of A. & H. Underwriters, on "What the A. & H. Business Means to Me."

C. C. Inman, executive vice-president of Illinois Mutual Casualty, spoke on "The Need for A. & H. Insurance" at the closing session.

The program included lectures by staff members of the Purdue University life insurance marketing institute.

New A. & H. Rules in N. C. Maximum Rate Lowered

RALEIGH—Complying with an act of the 1951 North Carolina legislature, Commissioner Cheek has issued new rules for writing A. & H. insurance in connection with loans and also announced that the maximum rate for each \$5 of monthly A. & H. benefits has been reduced from \$3.50 to \$3.30.

The new rules require companies to mail the borrower policies or certificates setting forth the amount of the premium, the kinds of insurance and the scope of the coverage.

The new rate is based largely on the judgment of companies writing A. & H. in connection with loans. In the future companies will be required to keep ex-

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FOR THE
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"Say it" on Fox River cotton-fiber paper, and it will always be there! Cotton-fiber assures permanence for policies, special settlements, office forms, all vital correspondence. Hardest file-handling hardly shows. Stays white for years . . . has that currency-feel that makes an impression of stability. Ask your printer for bond, onion skin, or ledger samples . . . or write FOX RIVER PAPER CORP., Appleton, Wisconsin. Makers of fine papers since 1883.

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An excellent 36 year old company writing all lines of Life, Accident and Health, Group, and Hospital Insurance—now adding new states.

Excellent finances from the start. Man who can look back on 1950-1951 accomplishments and is ready to look forward to his next ten years.

A real, immediate and future opportunity. Write in strict confidence what you want and what you want to do.

Address G-94, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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Man desires connection with reliable company, where past experience can best be used. Excellent business background, with approximately 20 years production experience in Life, A&H and Hospitalization, both group and individual. At present, sales director for Texas company, but if job is good enough can locate anywhere. Excellent references. Age 46. Address H-5, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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perience data which will form a basis for rate-making. Rate charts will be approved each year.

The department has adopted regulations limiting life insurance sold with loans by industrial loan agencies to the amount and terms of the loan and putting a \$100 a month ceiling on the benefits of A. & H. sold with loans, and also limiting the monthly benefits to the amount of the loan and the life of the policy to the loan term.

Warns of "Medical Services"

Commissioner Maloney of California has issued a warning that unlicensed and unregulated medical "services" salesmen are operating throughout the state. He cautioned all residents to be wary of these "high-pressure" and "fly-by-night" groups, "whose activities skirt on the fringes of the law and whose contracts are drawn in such a way that they are illusory."

"In addition, investigation discloses that their salesmen have been guilty of the grossest types of misrepresentation. Most of their victims believe that they are purchasing A. & H. insurance, only to be bitterly disillusioned at the very time of disability and need."

ASSOCIATIONS

Caravan in Oklahoma to Promote Interest in L.U.T.C.

A caravan sponsored by Oklahoma Assn. of Life Underwriters will leave Oklahoma City Sept. 10 for the purpose of promoting interest in L.U.T.C. among associations in the surrounding territory. On Sept. 10 they will be guests at a breakfast in El Reno, and a luncheon in Enid. An evening meeting is scheduled with the Ponca City association and a luncheon with the Stillwater association the following day will complete the tour.

The movement for a L.U.T.C. course at Oklahoma City has already been set in motion by the educational committee of the association there, of which Thomas Thach, Mutual Benefit, is chairman.

San Francisco — Lowell L. Newman, general agent of Penn Mutual Life at Fort Wayne, Ind., will discuss "My Sales Methods" at the first meeting of the season, Sept. 13.

Chicago — Paul E. Farrier, vice-president in the trust department of First National Bank of Chicago, will discuss the power of appointment act of 1951 at the first fall meeting Oct. 24.

Topeka — Harlan Schlicher, Fidelity Mutual general agent, has advanced to president following the resignation of Herb Langsdorf, New England Mutual, due to ill health.

Great-West Life reports that as of the end of August new business for 1951 had passed the \$200 million mark, and the eight-month total was better than that for any full year prior to 1949. For the 18th consecutive month, the new business total, \$20,400,000, exceeded the previous month. The Chicago agency led, with Philadelphia second.

William J. Barrett, the new secretary of Metropolitan Life, has had a wide range of experience with the company, having headed the publication division, and developed the industrial relations aspects of employer-employee group coverage and managed the policyholders' service bureau. He was formerly on the industrial advisory board of the NRA, assisted in organizing the war resources board and served in the raw materials division and the advisory commission to the council for national defense during the last war.

SALES MEETS

Lincoln National Plans Three Conventions for '52

The sites and dates for Lincoln National Life's three conventions for 1952 have been announced. They are: Grand hotel, Mackinac Island, Mich., June 16-18; Tahoe tavern, Lake Tahoe, Cal., June 23-25, and Wardman Park hotel, Washington, D. C., July 7-9.

Representatives earn the right to attend by qualifying for any one of the company's three convention clubs. Those qualifying for the top two clubs are invited to bring their wives. In addition, President Club members may attend the convention of their choice.

Guardian Life Holds Final Sales Meeting

Guardian Life held the last of four regional Leaders Club meetings this week in San Francisco. The meeting was attended by field men and their families from Washington, Oregon, California, and Colorado.

Frank F. Weidenborner, agency vice-president, was chairman of the closing

session on Friday. He also presided over Thursday's round table discussion. Vice-president John L. Cameron was chairman of Wednesday's program, and presented awards to the leaders for the past club year. The Friday meeting also featured a discussion of the Guardian graph-estate method of selling by Vernon J. Johntry of Los Angeles, and Robert J. Preble of Seattle, and a talk on business insurance by William W. Bullwinkle of San Francisco.

175 Attend Mutual Trust National Rally in Canada

More than 175 qualifiers are on hand this week for the national convention of Mutual Trust Life of Chicago at Bigwin Inn, Lake of Bays, Canada.

The program features Raymond Olson, president, as well as Benjamin N. Woodson, executive vice-president of National Assn. of Life Underwriters, and Charles J. Zimmerman, managing director of L.I.A.M.A.

There will be panel discussions on business insurance, prospecting and programming. Leading agents will present sales talks.

Has 5th Anniversary Rally

Agents and officials of College Life

attended its fifth anniversary meeting at French Lick, Ind., with Dr. M. O. Ross, president of Butler University, the principal speaker at the dinner meeting when awards and honors were announced.

Rosholt Heads Agents

I. E. Rosholt, Chicago manager, was elected president of the Lutheran Mutual Underwriters Assn. at its annual meeting at Chicago. There were 200 representatives of Lutheran Mutual Life present at the three-day session. Benno Ritter, Minneapolis, was elected vice-president, and Karl Klett, Wauwatosa, Wis., secretary-treasurer.

With Johnson & Higgins

Frank A. Conerton, formerly superintendent of group sales at the home office of Massachusetts Mutual, has joined Johnson & Higgins as a senior account executive in the employee benefits plan department. Before naval service during the war Mr. Conerton was for 12 years Pacific Coast group manager for Sun Life of Canada with headquarters at Los Angeles. After the war he joined Massachusetts Mutual. He was succeeded there by G. W. Steinbach.

FIFTY SHORT YEARS

"Fifty long years!" says the pessimist.

"Fifty short years!" — That's the way it's said by the optimists, the young in spirit. That's the way we say it here.

We are just finishing our first half century this year, . . . all under our original management. We've done very well up to now, and we're headed for bigger things in the years ahead.

The NATIONAL LIFE
and ACCIDENT
Insurance Company
INCORPORATED



AMONG COMPANY MEN

Rice Retires from Conn. Mutual After 46 Years

Henry I. B. Rice, vice-president of Connecticut Mutual, has retired, after 46 years of service.

Mr. Rice joined the actuarial department in 1905 after receiving his B.A. and M.A. degrees from Yale. He was advanced to assistant actuary in 1911, associate actuary in 1917, actuary in 1923, and vice-president and actuary in 1931. In 1946 Mr. Rice was named vice-president of the company. He is a fellow in the Society of Actuaries.

During the first world war Mr. Rice served overseas as a captain in the American Red Cross.

F. W. Evans to Prudential A&H Underwriting Post

Francis W. Evans, formerly chief underwriter for Paul Revere Life, has been appointed assistant director of underwriting for Prudential's recently formed sickness and accident department.

Mr. Evans joined Paul Revere in



H. I. B. Rice

1939 as an A. & H. claim examiner. Subsequently, he served the company at New York City and San Francisco before going to the home office in 1946.

E. L. Phillips, Jr., Named President of Gulf Life

E. L. Phillips has resigned as president of Gulf Life to become chairman. His son, E. L. Phillips, Jr., advanced from senior vice-president to president.

The realignment in official positions was brought about as the result of the death last April of T. T. Phillips, founder of the company 40 years ago, who was chairman at the time of his death.

J. Judson Calmers, assistant secretary, was elected a director.

The new president is a graduate of Virginia Military Institute and University of Florida. He has been with Gulf Life since 1934, when he became an agent at Miami. Later he served as an agent for two years in Jacksonville, prior to a period of duty in various home office departments. His primary interest in recent years has been the investment field.

New Asst. Medical Director

Dr. Arthur R. Zintek has been appointed an assistant medical director of Northwestern Mutual Life. He has been director of the preventable disease section of the Wisconsin state board of health. He was graduated from the

Marquette University medical school, and was in private practice for six years, joining the state board of health in 1941.

F. J. Glanville Retires

F. J. Glanville, assistant manager of farm loans of Northwestern Mutual Life since 1928, has retired. Before going to the home office he was a loan agent at Marshfield, Wis.

Pacific Mutual Ups Gilbert

Pacific Mutual has named Erle T. Gilbert assistant superintendent of agencies. Mr. Gilbert has been a general agent for Pacific Mutual at Los Angeles since 1942.

Are Managers Buying Men or Selling Life Insurance?

Roger Durrett, manager of the combination agency of American National at Austin, Tex., opened his talk to Austin Life Managers Club with the question, "Are we buying men or selling life insurance?" He based this question on the methods of financing men now in vogue. He emphasized that the men who have made the outstanding successes of the past have been those who entered life insurance on a basis of financing themselves.

Mr. Durrett took up why the agent who is selected carefully is unsuccessful, why the agent becomes unhappy, why the agent who does an excellent job of selling life insurance may become mediocre, and finally why the capable salesman is satisfied with less than he should do. He indicated that the answer lies in part in the drilling in fundamentals and effective supervision in the field.

He declared that the agent begins to fail when he senses a loss of interest of the manager or supervisor in his success. This results from the manager or

agent assuming that the agent who has at first succeeded is a fixture in the agency. Consequently, the agent is neglected for the new man.

He said men like to sit down and talk over matters with the manager. He told of visiting the home of a man who had made an excellent record six months then began to fail. The visit revealed that the agent's wife was dissatisfied with the amount of money he was bringing home. A talk with the wife and her husband brought the agent back into production and eliminated his money problem.

He prefers having the agents set their own production goals, but insists that they break the quota set down into daily production units.

Charles H. Scott, agency staff supervisor, discussed conservation and motivation. He declared that conservation of agents is synonymous with conservation of business. He listed as essential to conservation the 4R's—right interview, right presentation, right policy, and right result.

Receivership Made Permanent

LANSING, MICH.—A permanent receivership has been ordered in circuit court here for Western Union Mutual of Detroit, a small assessment life carrier placed in temporary receivership early in August following the accidental death of its founder and president, Wilson Lovett.

Commissioner Navarre was named receiver, with Theodore Tubergen, assistant chief examiner of the Michigan department, serving as active receiver. William Colton, counsel for the company, submitted a proposed reorganization plan, asking that the receiver enter into no definite refinancing contracts prior to Sept. 15.

Maurice M. Moule, assistant attorney general representing the department, said it appeared there would be no losses to policyholders.

Let's Talk

ONCE AGAIN we're moving part of our merchandise and personnel to the National Association of Life Underwriters Convention. Both—the personnel and merchandise—will be on display at the Los Angeles Biltmore Hotel (convention headquarters) during the week of September 17th.

It will be good to once again see many of our Life Insurance friends, so many of whom we are proud to know on a first name basis. But there are many R & R Members and customers we have not met, or seen all too seldom. So we look forward to next week with a great deal of pleasure, for it affords us an opportunity to extend to you a cordial invitation to visit with us during this (the 62nd) NALU Convention.

For some weeks now we have been hard at work on certain special, new items. *By a happy combination of intent and coincidence, they will make their debut at our Los Angeles exhibit.* We believe you'll share our enthusiasm for these new additions to the R & R line of sales aids and training materials.

WE HOPE YOU WILL PLAN TO SPEND SOME TIME WITH US AT LOS ANGELES. TOO, WE'LL HAVE A LITTLE GIFT FOR YOU.

THE INSURANCE

September
Debut



RESEARCH & REVIEW SERVICE

INDIANAPOLIS

PAUL SPEICHER - PRESIDENT



Are You Prepared to Tackle Your Problem This Fall?

Most Likely Your Problem Goes Something Like This:

"Well, it's getting cooler, people are coming home from vacation and it's easier for me to work. But what good is it? My opportunities are no better than they were last year. I could use a new twist to my selling — a really effective center of influence."

If this more or less summarizes the problem you must tackle this Fall learn how you can join the right team by writing to:



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SALES IDEAS OF THE WEEK

Mutual Benefit Men Answer Inflation Term Objections

The Mutual Benefit Life "Pelican" carries a report of a panel on "Putting Today's Objections to Work for You," held at the southern regional of the company, which contains some interesting pointers.

James D. Parker, Birmingham, said he delivers the following answer to the man who indicates he would rather buy term insurance and put the difference in another investment: "Do you know where you are going to invest the additional principal today, next year, the following year and every year thereafter during your lifetime at compound interest and be guaranteed that you'll never lose a cent? Will you be reminded each year to make this investment? Will you do it? Can you withstand the temptation of withdrawing your money for a new automobile or a vacation? If you can do those things and live to 70, there might be some reason for your considering term insurance and investing the difference. However, 225 senior officers in 51 of the largest life insurance companies tell us that term insurance represents less than 8½% of their protection. If men like these who know the business use permanent insurance can you and I afford to do otherwise?"

Stresses Guaranteed Aspect

In answer to the same question, Sidney Hooper, Nashville, commented: "I take an example of \$1,000 term and \$1,000 life paid up at 65, at age 35, and show that permanent insurance, for the additional premium paid over the term, yields about 5½% compound interest. This yield or return is tax free, and during the accumulation period there has been neither hazard of reinvesting nor hazard of management care. Where else could you get so much on a guaranteed basis?"

In connection with inflation, Mr. Hooper commented: "Life insurance differs essentially from all other investments in that it always matures in full for a definitely stated amount at the death of its owner. A policy which matures as a death claim after payment of only a small number of premiums will return the beneficiary a type of counter-inflation—the dollars received are magnified greatly over the dollars invested and they are received when most needed. A continuation of inflation in the future is not impossible, but to expect it as highly probable is to overlook or disregard the records of the past. The history of our past inflations suggest definitely and clearly that life insurance bought now is more than likely to become payable in a period of deflation when it matures 25 or 30 years hence. Inflation is not an objection to life insurance but rather the reason for the purchase of additional life insurance. The present increase in money income, which is an effect of inflation, has placed people in a better position to buy the increased insurance called for."

K. Eugene Robinson, Louisville, said this in the case of inflation: "These cheap dollars that we are making now should certainly go into the kind of property that will be worth more than 100-cent dollars at the time you are going to need them most."

"Rabbit Habit" Prospecting

A sales promotion plan developed by Bankers Life of Nebraska is praised in the Reporter of Direct Mail Advertising as one of the best promotion ideas of the year. The campaign was planned by E. S. Wescott, advertising manager.

Agents are urged to join in a "rabbit habit campaign" in which prize winning points are offered to those who get one

prospect to give them the names of three others and then succeed in getting additional names from the new prospects, and so forth.

The idea is based on the family multiplication potentials of rabbits. The magazine points out how the new names idea can be adapted to any business. Each agent has been given a copy of a chart to record the prospects he obtains during the campaign so he can keep track of his progress. The campaign is backed up with folders and by other promotional methods.

Bribery Indictment Is Cravey's Latest Move in War on Bankers L. & C.

ATLANTA — Latest move in Commissioner Cravey's efforts to oust Bankers Life & Casualty from Georgia is an indictment in the state court charging two Bankers L. & C. officials with bribing a Georgia insurance department employee.

Those indicted are C. F. Brusnighan

a vice-president and director of Bankers, and James A. Ross, an Atlanta agent of Bankers. Solicitor General Webb said extradition papers are being prepared to bring Mr. Brusnighan to Atlanta.

Mr. Brusnighan and Mr. Ross are accused of paying \$500 to Mrs. Jenny Salomon, record clerk and stenographer in the Georgia department and offering her a \$325 lifetime job for obtaining certain "confidential state records." Webb praised Mrs. Salomon. He said she had gone through with the alleged deal "solely to obtain necessary evidence for prosecution."

When asked by THE NATIONAL UNDERWRITER about the case, Mr. Cravey said that Mrs. Salomon had come to him, saying that a representative of Bankers Life & Casualty had approached her about obtaining certain papers and that he (Cravey) told her to go ahead and cooperate in the negotiations.

BRUSNIGHAN COMMENTS

When asked for a comment, Mr. Brusnighan said: "I regret that no attempt was made to obtain from me the true story. A knowledge of the background is necessary to understand the action taken by the commissioner of insurance against me. For some months my company has had differences of

opinion with the commissioner concerning the legality and propriety of certain of his actions. As a result, the relations between the company and the commissioner deteriorated to a point where it was considered necessary to bring him into the civil courts for a judicial determination. We feel that we had a legal right to question his actions, and we think it is most unfortunate that the commissioner has allowed personal animus and prejudice to obscure a calm and just consideration of the issues involved.

"In my judgment, this rash action by the commissioner in conceiving and initiating such a preposterous melodrama, has been done with the hope that by this means he will, in some manner, bring justification to his capricious, arbitrary and irresponsible actions. All that the grand jury heard was a complete distortion of facts, as will be disclosed upon a trial before a court and jury."

National L. & A. has promoted Robert L. Kerby, to assistant manager at Anderson, Ind. He has been an agent at Kokomo.

New paid for business of Manhattan Life for the first seven months was 41% greater than last year.

The wise old owl says:



"Build well the foundations—
the house will stand alone."

proper education for children should not be left to chance
careful planning will give them a full education as preparation for the life ahead. The carefully selected and trained Representatives of Southland Life are glad to outline insurance plans in this and other phases that give security in the future to a family.

SOUTHLAND LIFE multiple services
are available to you and your
policyholders through liberal
brokerage agreement.

Southland Life
INSURANCE COMPANY

W. C. McCORD, President

Home Office, DAKOTA

"Serving Since 1908"

LIFE • ACCIDENT • HEALTH • HOSPITALIZATION

Inflation Pushes Term Bandwagon

Inflation and the continually expanding line of term policies that companies will write have stepped up the trend to term that started in the '40s.

Figures are difficult to obtain from companies because their methods of reporting aren't alike. But no company is able to say that its percentage of term is going down. Many say the reverse is true and some don't mind it at all.

Those opposed to the continually increasing reliance on term find that their agents are using it to sell in the inflation-bedecked white collar class. When an agent gets over into the blue collar market he sells term on demand, or does it because it is easier. His prospect often says he has a pension plan through the union or in the plant and doesn't need permanent insurance.

Term is often a good palliative for a prospect's insured savings or retirement income problem but it only postpones a solution instead of solving the problem.

Companies opposing the term trend are finding their agents turning to companies that like it and that write it at a fairly good commission. Term business is being brokered where an agent's own company isn't taking it. A company's volume of term may continue to be relatively low but this doesn't mean that its agents are not putting their time into selling it.

This has led companies opposing the

term trend to expand their term sales kits. More are getting on this term band wagon, if only in self-defense.

Ford Named Southland Life Sales Training Director

Herman Ford has been named director of sales training of Southland Life. He has been agency manager of the Texas Panhandle territory with headquarters at Amarillo.

Sam Conner, Jr., manager for Oklahoma at Oklahoma City, will replace Mr. Ford at Amarillo and Bill Adams, agent at Fort Worth, becomes Oklahoma manager.

Mr. Ford graduated from West Texas State College and secured his M. A. from University of Colorado. He is a graduate of the S.M.U. course and of the L.I.A.M.A. in management school. After many years in school work he joined Southland in 1945, making a notable record as a personal producer. He was made agency manager in 1948.

Mr. Connor attended Texas A. & M. and is also a graduate of S.M.U. and L.I.A.M.A. courses. He joined Southland in 1947 upon his discharge from the army air corps as agency supervisor at the home office at Dallas and was named Oklahoma manager in 1949.

Mr. Adams also is a former teacher and entered life insurance with Southland Life at Eastland, Tex., in 1947.

Great-West Life has been licensed in Florida, bringing to 17 the number of states in which the company is licensed.



"**MY WIFE WANTS AS MUCH SAY IN THE BUSINESS AS MY LATE PARTNER'S WIFE HAS.**"

Convention Dates

Sept. 16-19, American Bar Assn. insurance section, Hotel Roosevelt, New York City.

Sept. 17-21, National Assn. of Life Underwriters, annual meeting, Biltmore hotel, Los Angeles.

Sept. 24-26, Life Office Management Assn., annual conference, Edgewater Beach hotel, Chicago.

Sept. 24-27, National Fraternal Congress, annual, Morrison hotel, Chicago.

Sept. 24-28, Assn. of Canadian Superintendents of Insurance, Royal Alexandra hotel, Winnipeg.

Sept. 26-28, Society of Actuaries, Royal York hotel, Toronto.

Oct. 9-12, American Life Convention annual meeting, including annual meetings of the Legal, Financial, Agency, and Combination Companies Sections, Royal York hotel, Toronto.

Oct. 26-27, Illinois State Assn. of Life Underwriters, mid-year meeting, Hotel Pere Marquette, Peoria.

Oct. 18-19, Zone 5 meeting of N.A.I.C., Skirvin hotel, Oklahoma City.

Oct. 22-24, Zone 4 meeting of N.A.I.C., St. Paul hotel, St. Paul, Minn.

Oct. 29-31, Life Insurance Advertisers Assn., Inn and Lodge, Williamsburg, Va.

Oct. 29-31, Bureau of A. & H. Underwriters, the Homestead, Hot Springs, Va.

Nov. 1-3, Mid-West Management Conference, French Lick, Ind.

Nov. 8-10, Institute of Home Office Un-

**GENERAL AMERICAN LIFE'S
Sell-O-Vision Theater**

Its unique new super selling feature

SOCIAL SECURITY Calculator

INSTANT COMPUTATION

Developed and Copyrighted by General American as another selling tool for the exclusive use of our field underwriters. Computes all benefits, old and new, with instant conversion table.

OLD BENEFITS CONVERSION TABLE NEW BENEFITS COVERS OLD AND NEW BENEFITS

NO PENCIL NEEDED

JUST SLIDE THE CARD

GENERAL AMERICAN LIFE INSURANCE COMPANY

ST. LOUIS MISSOURI

"**The Provident States**" are

PREPARING FOR NATIONAL DEFENSE —

Thanks to the great state of WASHINGTON, the nation will have electricity, wheat and lumber to aid in the National Defense. These principal products are absolute necessities to a nation whose freedom is being threatened.

The people of Washington — like all good Americans — cherish their freedom over everything else. They have demonstrated this in many ways, such as by buying more and more "Provident Protection" both in peace and in war.

"Provident Protection" has given Washington policyholders freedom from dependence on government, and freedom from fear.

The PROVIDENT LIFE INSURANCE COMPANY

Bismarck, North Dakota

JOSEPH DICKMAN, Vice President

Life • Accident • Health • Hospitalization

"**The Provident States**"

North Dakota — South Dakota — Minnesota — Washington — Oregon — Montana

September 7, 1951

March conference
Beach Hotel
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derwriters, annual meeting, Edgewater Beach hotel, Chicago.
Nov. 12-16, L.I.A.M.A. annual meeting, Edgewater Beach hotel, Chicago.
Dec. 2-6, National Assn. of Insurance Commissioners, Hotel Commodore, New York City.
Dec. 11-12, Life Insurance Assn. of America, annual meeting, Waldorf-Astoria hotel, New York City.

Dec. 13, Institute of Life Insurance, annual meeting, Waldorf-Astoria hotel, New York City. 1952

March 17-19, Small companies spring conference of L.I.A.M.A., Edgewater Beach Hotel, Chicago.

May 26-28, H. & A. Underwriters Conference annual, Cosmopolitan hotel, Denver.

Will Check-List Helps Plan Estate With Attorney

A working check list on wills intended to serve as a foundation on which a complete analysis of a client's will can be made has been developed by the Solomon Huber Agency of Mutual Benefit Life in New York City.

Members of the agency use the list to inspect a will. Then they discuss the will with the client's attorney. The list is not intended to be exclusive but it does cover the majority of situations, according to Mr. Huber.

He explains that "hundreds of items may be safely listed on any check list dealing with wills. The estate planner who attempts to bring to bear every isolated point to every will he checks is doomed to work endlessly for the rest of his days and attract like a magnet the enmity of every attorney he has the temerity to have criticized. Draftsmen are grossly underpaid for their work. Clients are loath to divulge the nature and extent of their assets. Even those who do are reluctant to bring into the attorney's office documentary evidence of title to property. Others exaggerate the size of their holdings or merely parcel out isolated bits of information. As an agent you may sympathize with the general practitioner but don't hold him up to scorn and ridicule. He doesn't deserve it and he invariably knows far more than you give him credit for. Discretion is the better part of valor. Suggest to your client that you have some thoughts on his will as a result of your estate analysis which you would like to submit to his legal adviser. Stop there." The check list follows:

Simultaneous Death

Has the problem of simultaneous death of a legatee and the estate owner been covered? This may very well have been accomplished by state law without specific mention in the will.

Has a period of short term survivorship been dealt with? This is not the same as simultaneous death.

On whom does the burden of the estate or inheritance tax fall? The estate owner may wish to exonerate his wife from contribution toward the tax.

Do outright bequests cut down the size of the residuary estate which is intended for the wife? May outright bequests have this effect in the future if the client's estate should shrink? Who inherits if the wife dies while receiving income? Who inherits if the wife dies before she receives her inheritance?

Who is to be the guardian of the person and the property of an infant if the wife should not be living at the estate owner's death?

Does the wife have a will? Is it coordinated with that of the estate owner without inconsistent clauses?

Where children are primary or secondary beneficiaries do they share equally in the share of a deceased brother or sister, or does a deceased child's share go to his or her children? Why?

Is the beneficiary pattern in this respect the same in the life insurance

Day Scores Mind-Changers

(CONTINUED FROM PAGE 4)

to match a requisition or vice versa and delays and confusion in issuance of licenses sometimes resulted," he said. "Beginning next spring we are going to eliminate the requirement of applications from individual agents. This will

cut down our burden of routine clerical work and save us a great deal of mailing. I do not believe that it will interfere in the slightest with effective administration of the agents' and brokers' law. Of course, we will have to continue to have applications from brokers since there is no company requisition in those cases."

Discussing the sale of life insurance on military bases, Mr. Day said that under federal regulations insurance may be solicited on bases in Illinois by agents and companies which are not

licensed to do business in the state. This brings in transient salesmen who are not subject to the controls and influences exerted by local agents' associations and who sell inappropriate kinds and amounts of insurance, frequently in obscure little companies.

"I am sure it is the intention of groups such as this that life underwriters should not be mere hawkers of wares but that they should provide professional advice and adhere to ethical standards in their selling activities," he said.

(CONTINUED ON NEXT PAGE)

OUR PENDULUM DOES NOT SWING WIDE

Standard Life does not jump in and out every time the sun rises or sets. We stay in the middle of the road.

1. We have not currently put on war clauses nor have we insured young men for exorbitant sums.
2. We only turned in one-half of our 2 1/2% Treasuries on the non-market 2 3/4%. We think cash may be nice to have around soon.
3. We never make investment commitments based on sale of other securities—just on a portion of probable future income available for investment.
4. We have not and do not intend to withdraw from the mortgage lending field. The livelihood of our mortgage loan correspondents is as important to us as is the well being of our agents . . . and we don't saw off the limb on them. We never lent mortgage money less than 5%, so we don't need to make much change in policy today.

STANDARD LIFE IS STANDARD AND STABLE ALWAYS . . . ALL WAYS

STANDARD LIFE INSURANCE CO. of IND.
INDIANAPOLIS, INDIANA

policies? If not, why?

How many witnesses have signed the will? If two are required, then three or even four may be a good idea.

Are the witnesses younger than the testator, males, known to him or are they young single females, who are apt to get married and be difficult to locate?

Has a trust been created? Is there a discernible beneficiary pattern which is comparable to an income option in a life insurance income option?

Is there sufficient corpus for a trust? Has the estate owner attempted to dispose of jointly owned real or personal property such as a home, bank accounts and insurance policies to persons other than those named in the instruments of title?

If trust corpus is small and subject to periodic withdrawals under a personal rather than a corporate trustee, has consideration been given to investment in a) savings banks, b) mutual funds, c) discretionary common trust funds.

Have afterborn children been excluded or included specifically?

Has the widow been allotted a large enough share so that she cannot "elect to take against the will" or contest it?

Have bequests to charity been measured to avoid litigation by others on the theory that the maximum permitted by state law has been exceeded?

If a trust has been created will it provide protection against creditors in accordance with state law?

Can certain general legacies be made specific so that executors fees may be eliminated?

Have successor executors, trustees and guardians been named to the extent permitted by state law?

Has the person nominated to serve in any of these capacities been apprised of such appointment? Has he indicated willingness to serve?

If more than one person has been designated for any of these offices is unanimity of action required or have separate duties for each individual been clearly expressed so that frequent meetings will not be necessary?

Have fractional distributions received consideration so that outright bequests will not cut down the size of the estate intended for the principal beneficiary or remainderman?

Where a trust has been created is it sufficiently flexible to permit withdrawals of principal? If so are such withdrawals automatic, on request of the beneficiary, at the discretion of the trustee, on evidence of need or subject to some other condition?

Are such withdrawals to be annual or limited in amount for any one year? If so is this by the calendar year or a twelve month period dating from the estate owner's death?

Are withdrawals on a cumulative or non-cumulative basis?

If a simultaneous death clause or a short term survivorship has been included have you measured the effect against the possible loss of the marital deduction?

Where duties of the executor or trustee are time consuming and require skill and experience because of the legatees involved and the nature of the assets has consideration been given to the nomination of the attorney, accountant or a corporate fiduciary?



General Agencies Open In

Arkansas

Arizona

Delaware

Florida

Georgia

Illinois

Indiana

Kentucky

Louisiana

Maryland

Michigan

Missouri

New Mexico

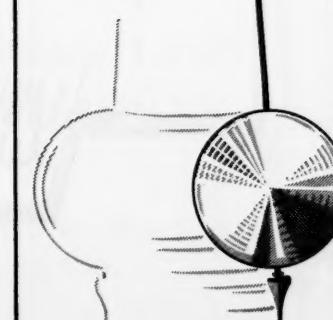
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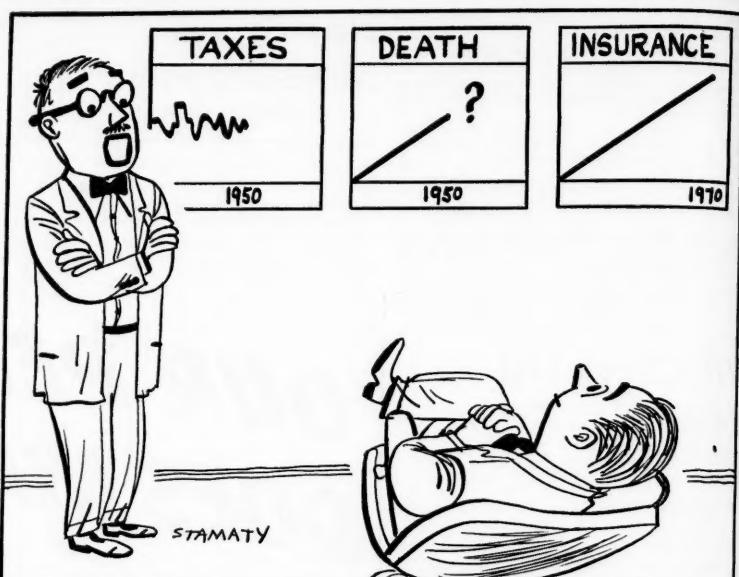
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Free Men CHOOSE LIFE & CASUALTY LIFE SECURITY

Our free-born underwriters select their own careers of service. The Life & Casualty program gives their policy-holders free selection of Life Security for themselves, and for their families. No skimpy dole—but everything you want—as you want it. Investigate! Compare!



"SO,—ACTUALLY,—THE ONLY THING YOU CAN REALLY BE SURE OF IS YOUR INSURANCE."



Complete
Life Insurance Coverage
For The Southeast



Day Scores Complainers
Who Change Their Minds
(CONT'D FROM PRECEDING PAGE)

A committee of the National Assn. of Insurance Commissioners is making an effort to obtain a change in the Department of Defense regulations to prohibit solicitation of insurance by agents and companies which are not licensed in the state where the military base is located, Mr. Day said.

"This is no theoretical problem," he continued. "I received a copy of a return address post-card which was being used on a military base in connection with solicitation of life insurance. The return address was at an obscure location in Colorado. I wrote to the commissioner of Colorado and he told me that they had no record of the company. He thought it might be a Texas company. I still haven't found out where it is or what it has or whether there is any such company.

Catastrophe Coverages

"Another interesting current development relates to the broadening of coverages made available by our commercial companies. Many people who have been concerned about the problem of paying for adequate health care have suggested that provision be made for taking care of the catastrophic illness which might impose a long financial strain and burden on the family or the individual. Some of our leading companies have recently come out with announcements of catastrophe health insurance coverage. These coverages have not had an opportunity to be tried out in practice but the willingness of the industry to meet a genuine public need is a healthy sign. The refusal to acknowledge and cope with a legitimate public demand is frequently an excuse for government entry into a field.

"Illinois ranks third in the total value of life insurance owned, with about \$18½ billion of insurance in force. This represents an increase from about \$12 billion only five years previously. Life insurance is a major factor in the economy and in the government of our

state. It provides an opportunity for creation of valuable estates by a great proportion of citizens in all walks of life. We are confident that the life insurance industry will continue to be sound and deserving of public confidence under a system of intelligently administered state regulation."

Pacific Mutual Life's August paid premiums on ordinary business are well ahead of the same month last year. Substantial increases were made also in commercial A. & H. coverages, both written and paid.

Joseph S. Hough, grand secretary of Royal Arcanum for New Jersey, a position he has held since 1933, is celebrating his 50th anniversary as a member of the organization.

Belding Real Estate Corp., a subsidiary of Belding Heminway Co., New York, has borrowed \$250,000 from New York Life, which now owns \$520,000 of its 3½% first mortgage bonds, due 1964.

Scott & Co., Los Angeles pension and actuarial office, has opened a branch at 21 Pine street, San Francisco. Robert Little, vice-president and actuary, will be the manager.

Manhattan Life has been licensed in Maryland. The company now operates in 15 states and the District of Columbia.

BENEFITS PAID

\$64,111,569

**Supreme Forest
WOODMEN CIRCLE
Omaha, Nebraska**

Sixtieth Year of Fraternal Service
Dora Alexander Tally President
Clara B. Cassidy Secretary

PROTECTED HOME CIRCLE
SHARON, PA.
FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society
S. H. HADLEY, Supreme President
L. D. LININGER, Supreme Secretary
SHARON, PA.

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Lincoln National Buys Control of Reliance

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and assets in excess of \$470 million. It has trebled in size within the past decade and now ranks 10th in size on the basis of insurance in force. Combined capital and surplus of the Lincoln totaled \$48 million as of Dec. 31, 1950. It operates through 1,400 sales representatives with sales offices in 100 cities. Employees total about 1,000.

To Operate as Company

Mr. McAndless stated that if Lincoln National is successful in purchasing the stock of Reliance it intends to continue to operate in Pittsburgh as a separate company on essentially the same basis as heretofore. It is believed that close cooperation between the two companies will bring advantages to both groups of policyholders, agents and employees. Classes of business sold by the two companies are similar in many respects and although both companies operate in many territories, the agencies supplement each other with only slight overlapping.

The Mellon National Bank & Trust Co. owns 53% of the stock of the Reliance which it acquired through a merger with Union Trust Company of Pittsburgh. The Mellon bank and other large stockholders favored this sale because they believed that the purchaser of the Reliance should not only have broad experience in operating a life insurance company but should possess a high degree of trusteeship in dealing with its policyholders, employees and agents.

NEW OFFICERS

In a letter to general agents, agents, home office, and branch office employees of Lincoln National, Mr. McAndless said:

"If the stock purchase method is followed, a recommendation will be made to the board of directors of the Reliance to elect Mr. Walter O. Menge as president and a director of the Reliance. Mr. Menge will continue to be the 1st vice-president of the Lincoln, but will have additional responsibility as president of the Reliance, and it is planned that with the assistance and counsel of Mr. Henry F. Rood, 2nd vice-president and actuary of the Lincoln he will be responsible for the top direction of the Reliance. Mr. George L. Langreth, now vice-president and a director of the Reliance, will become executive vice-president and be the principal officer of the Reliance resident in Pittsburgh. All

other officers and employees of the Reliance will continue in their present capacities."

In a similar letter to Reliance Life people, Mr. Mayer said: "When this transaction has been completed I expect to resign as president of the Reliance to accept a position outside the life insurance field, but I plan to continue as a director of the Reliance."

Move Seen as a "Natural"

Insurance observers familiar with the situations of the two companies feel there are several reasons that make the move a "natural" for the Lincoln National.

One is that it offers the company a ready-made A. & H. business. Reliance was one of the first companies to offer life and A. & H. all in one package. It has been in the A. & H. business a long time and has an agency organization that is very definitely A. & H. minded.

Reliance's agency set up will complement Lincoln National's in the southeastern states, where Lincoln has developed less rapidly than in other sections of the country. Reliance has especially strong agency representation in the states south of the Mason-Dixon line and east of the Mississippi.

Reliance has an exceptionally clean investment portfolio. Doubtless due to its control being in the hands of a bank, the investments have been made with emphasis on liquidity of assets. The company owns no real estate and does not even own a home office building, an unusual situation for a company of its size.

Buy Cal. Water Bonds

California Water Service Co. of San Jose has sold a \$3 million issue of first mortgage 3 1/8% bonds to a group of institutional investors. New York Life \$1,500,000, Northwestern Mutual \$1 million and Bankers Life of Iowa \$500,000.

Chicago life agency cashiers will hear Joe Spickler, A. T. Kearney Co., speak on "Work Simplification" at its first fall meeting, Sept. 19.

Robert E. Florian, Chicago general agent of Connecticut Mutual, will address the opening meeting of **Chicago life agency supervisors** Sept. 13 on "The Supervisor's Opportunity."

H. T. Shulenberger, Travelers, addressed the Acacia Club at Miami on "The 13th Doughnut." He stressed extra service and showmanship in business.

PERTINENT STATISTICS

ASSETS	Over \$133,000,000
INSURANCE IN FORCE.....	Over \$554,000,000
BENEFITS PAID SINCE 1902.....	Over \$ 58,000,000

AID ASSOCIATION FOR LUTHERANS

Legal Reserve Fraternal Life Insurance

Home Office:

APPLETON, WISCONSIN

The Manhattan Life's

NEW FAMILY SECURITY POLICY

Written down to as low an Expiry Period as six years from date of purchase to as high an Expiry Age as 75

Issue Ages: 20 to 64 ★ Convertible, without Medical Examination, for the then Commuted Value, into any form of policy, except Term, before Insured is 65 years old, nearest birthday ★ The Waiver of Premium Total and Permanent Disability Benefit, effective to Age 60, is included without specific extra charge in all standard policy issues ★ The New Family Security Policy is Participating.

Premium Rates are included in the 20-page booklet describing this new policy.

Ask for a copy.

Our 2nd Century

 Founded 1850
THE MANHATTAN LIFE INSURANCE COMPANY of NEW YORK

Home Office: 120 West 57th Street, New York 19, N. Y.

Telephone: JUDSON 6-2370

Mutual Life Tells A. & H. Writing Plans

(CONTINUED FROM PAGE 1)

other short-term plans, Mr. Dawson reported. Reductions run as high as 6% and average about 4%, and in a few cases increases are made. The new premiums preserve adequate margins.

The new policies are designated the "A" series and will pay first year commissions of 50%, graded by plan, instead of the present 45%, with renewals the same as at present.

Net Cost About Same

He pointed out that the net cost of new and old policies is expected to be about the same because of adjustment of dividend scales on policies issued under the lower scale of gross premiums. He added, however, that a lower gross premium would make it possible for a

greater number of people to buy life insurance and for present policyholders to add to their protection with a smaller initial outlay. Total volume should rise accordingly, he said. By spreading operating expenses over the greater volume, the company should be able to reduce its unit costs of doing business with resulting benefit to all policyholders.

Other changes discussed by Mr. Dawson, Roger Hull, executive vice-president, and Stanton G. Hale, vice-president and manager of agencies, include provision for double indemnity in new policies covering commercial passenger flying, scheduled and non-scheduled, and in planes operated by private business organizations to transport per-

sonnel or guests. Double indemnity and waiver of premium provisions presently are suspended in event of war service. In new policies the suspension provision on D.I. and W.P. has been replaced by a provision excluding death or disability that results from service in time of war with a military or auxiliary non-combatant unit.

but the life income purchased is greater. The reduced paid up option on lapse is at present nonparticipating. The new contract allows participation.

The Goodwin agency of State Mutual Life at Boston has moved into new and more modern quarters at 84 State street.

NEW RATES

The new gross premium rates, based on CSO with interest at 2 1/4% are illustrated in these examples:

Preferred risk, initial premium 82.5% of ultimate premiums instead of present 85%, reduction in initial premium at ages over 19, starting at about 3% and increasing to about 5%.

Life paid up at 85, reduced about 6%. Limited pay life, reductions from 3 to 5%, depending on length of premium payment; slight increases on 10-pay life at younger ages.

Endowments, reductions of around 5% for long term at younger ages, modest increases at younger ages for 10-year and other short-term endowments.

Term, reductions about 2% at young ages ranging to 4% at high ages.

Base of New Options

The new base of life income settlements, options three and six, in "A" policies, is the Jenkins-Lew 1949 table at 2 1/4% interest. The income under option three will be the same for all types of elections, the practice of rating down to age three years for payee elections being discontinued for future issues.

In general the guaranteed life income under the new policies will be higher, considerably higher at the older ages. In advance elections of option three in settlement of death proceeds, where payee cannot withdraw any part of the proceeds before the life income begins, the guaranteed income at younger ages will be slightly lower and at the older ages only a little higher.

Pays Full Reserve Earlier

The new "A" series provides for payment of the full reserve from the end of the 15th policy year instead of the 20th. The new cash values generally are slightly lower in early policy years, higher at the middle durations and somewhat lower at the longer durations than values in current issues.

The endowment annuity and income endowment policies are being withdrawn and the new retirement endowment replaces them. This provides a \$10 per month life income with automatic 10 years certain for each \$1,000 of insurance with maturity at age 55, 60 or 65. Minimum amount is \$1,000. It has the privilege of continuing premiums up to 10 years after maturity. Also new is the juvenile endowment maturing at 65, available at all ages everywhere except Canada and New York, and there from age 5.

The new "A" forms of juvenile policies, except return of premium plans issued in only New York and Canada, have been liberalized to provide full coverage commencing six months after birth. Before then the coverage is \$250 for each \$1,000 ultimate face amount.

Waiver, D.I. at Age 5

Waiver of premium and double indemnity will be available beginning with policies issued at age 5. The policy must contain either both benefits or neither. The benefits will not be issued separately.

On family income and decreasing term riders the conversion privilege is extended from three to two years before the expiration date.

Income protection policies will be issued for only 15, 20, and 25 year periods and also to run to age 65.

Mortgage protection policies will be issued for any number of full years from 15 to 25.

On retirement income cash values per \$100 annual premium are somewhat lower than in the present contract form

ACTUARIES

CALIFORNIA

COATES, HERFURTH &
ENGLAND

CONSULTING ACTUARIES

San Francisco Denver Los Angeles

ILLINOIS

CARL A. TIFFANY & CO.

CONSULTING ACTUARIES

111 West Wacker Drive
CHICAGO 6
Telephone FRanklin 2-2633

Harry S. Tressel & Associates

Certified Public Accountants
and Actuaries

10 S. La Salle St., Chicago 3, Illinois
Telephone FRanklin 2-4828

Harry S. Tressel, M.A.I.A.
A. Wolfman, F.S.A. Wm. H. Gillette, C.P.A.
A. A. Mosevitch, A.S.A. W. P. Kelly
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Age at issue	1st Year Premium	Reduced Premium	10 Year Average
20	\$16.01	\$13.30	\$13.57
40	28.67	25.35	25.68
50	41.95	37.97	38.37

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"I find that the unusual training these representatives receive, coupled with their experience in dealing with the lives of many families, equips them to give real assistance. The quality of their advice and help on matters of family security is available from no other source.

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**HOW LONG IS IT SINCE YOU HAVE REVIEWED
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